

STATES OF JERSEY



NATURAL GAS PIPELINE: STRATEGIC STUDY (P.16/2009) – COMMENTS

**Presented to the States on 10th March 2009
by the Minister for Treasury and Resources**

STATES GREFFE

COMMENTS

This proposition seeks the States' agreement –

“to request the Minister for Treasury and Resources to identify funding to carry out this study and, if this sum cannot be identified through the reprioritisation of existing heads of expenditure or year-end balances, to request the Minister to bring forward a request under Article 11(8) of the Public Finance (Jersey) Law 2005 for the necessary additional funding to meet the cost of these payments.”

The proposer estimates a maximum cost of £50,000. I am not aware of the basis for this estimate.

Should the States approve this proposition, the Minister for Treasury and Resources considers that the requisite funding must be considered against other competing priorities as part of the Strategic and Annual Business Plan processes. In this case, the Minister will consider funding the Study from 2008 underspends, although there are already a number of competing claims for this resource.

Article 11(8) of the Public Finance (Jersey) Law 2005 states –

“... the States may, at any time, amend an expenditure approval on a proposition lodged by the Minister on the grounds that –

- (a) there is an urgent need for expenditure; and*
- (b) no expenditure approval is available.”*

Whilst sub-paragraph (b) of Article 11(8) is satisfied by the current request it is doubtful whether sub paragraph (a) is. The Article is intended for unavoidable matters, such as protecting the Island's population from a flu pandemic. It is not intended to be a regular vehicle for ad hoc, in-year requests for additional funding for items which could, and should, be prioritised against other competing demands for resources.