
STATES OF JERSEY



TRANSFERS BETWEEN HEADS OF EXPENDITURE UNDER THE PUBLIC FINANCES (JERSEY) LAW 2005: ARTICLE 18(1)(c) AND (1A) – 5TH OCTOBER 2018

**Presented to the States on 12th October 2018
by the Minister for Treasury and Resources**

STATES GREFFE

REPORT

Decision(s): Under Article 18(1B) of the [Public Finances \(Jersey\) Law 2005](#) (“the Law”), as amended by [L.18/2018](#), the Minister for Treasury and Resources hereby notifies the States, having consulted the Chief Minister, the Principal Accounting Officer (“PAO”), and the relevant Minister or other appointees set out in Article 18(1B) and (2) of the Law; and who are affected by the transfers; that he has agreed to the following –

Transfers between Heads of Expenditure under Article 18(1)(c) and (1A) of the Law

MD-TR- Ref.	Department		£	Funding of –
	From –	To –		
2018-0122	Capital Heads of Expenditure	Central Contingencies	3,730,519.09	A non-recurring transfer

After the expiry of 14 days following the presentation to the States of this transfer, the Minister hereby authorises the Treasurer of the States to action the transfer outlined in the table above. (More detail on the transfer is given below.)

Background

The out-turn cost of capital projects is inherently variable, with many factors such as ground conditions, local market conditions and even weather contributing to the final cost. These factors are managed through an appropriate level of project contingency, which is set at the start of the project to manage risk and contain the total project costs within the approved allocation.

As a result, there can be budget remaining unspent and no longer required for the purpose for which it was approved, once projects are complete. There are also instances where budget is allocated for a specific capital project, but as work progresses to develop the project, circumstances change in a Department’s priorities or service delivery requirements which mean that the budget is no longer required for that purpose.

Existing capital allocations have been reviewed to identify any funds that are no longer required and which could be re-allocated in order to manage pressures from within existing resources. Specific comments on 2 of the allocations are provided below.

Children’s Homes: £2 million was allocated in 2013 to develop homes for children who require residential care. £750,000 of this was allocated to an upgrade of the Oakwell respite care home. This project was completed in 2014. The remaining £1.25 million was allocated for the construction of 3 new care homes for people with autism on the Greenfields site. This project was taken to the point of tendering for the project (with £220,000 of associated fees which will need to be written off to revenue), before it was decided to put the project on hold pending a review of service provision by the Health and Social Services Corporate Directorate.

Refurbishment of Sandybrook: £1.2 million was allocated in 2014 to upgrade and refurbish the Sandybrook Care Home. Following more detailed feasibility works, it was found that the £1.2 million would be insufficient to undertake the works required to the home. It was decided to put this project on hold and review the Island's Care Home requirements and current provision so that the funding could be best utilised. Based on this, it has been decided to transfer the funding to Central Contingencies so that it can be reprioritised.

If further proposals relating to the above schemes are brought forward, they will be reconsidered for allocation of capital funding.

Department Responsible	Project	Head of Expenditure	Unspent Capital £
Chief Minister's Department	Appl Rem. Windows 8	C00MF14004	3,734.10
	Corporate Data Upgrade	C00MF18007	500,000.00
	Replacement Assets - CMD	C00MF18006	200,000.00
	T&R JDE system	FT0BP10021	371,317.54
Health & Social Services	Replacement RIS/ PACS IT Assets	J00MF15026	127,139.21
Comm and Const Affairs	Prison Control Room	D0000C1063	31,796.00
	Prison Security Measures	D0000C1064	20,849.00
Department for Infrastructure	St Martin	F0000C3315	183.50
	Prison Improvement Phase 4	FA0BP11006	42,091.23
	Children's Homes	FA0MF13023	1,080,358.79
	Autism Support Unit	FA0MF14008	179,668.24
	Refurb of Sandybrook	FA0MF14024	1,169,743.50
	South La Collette Reclamation	Q0000C0393	2,020.79
	Sludge Thickener Project	Q00BP11004	1,617.19
Total			3,730,519.09

Further information on this decision can be found on www.gov.je under the following Ministerial Decision reference –

- MD-TR-2018-0122,

which was signed on 5th October 2018.