

STATES OF JERSEY



PROPOSED BUDGET (GOVERNMENT PLAN) 2025-2028 (P.51/2024): TWELFTH AMENDMENT (P.51/2024 AMD.(12)) – COMMENTS

**Presented to the States on 22nd November 2024
by the Council of Ministers**

STATES GREFFE

COMMENTS

The Council of Ministers does not support this amendment.

The arrangements for grants already include, as the first requirement, that grants should contribute towards the strategic aims, priorities and desired outcomes of the States of Jersey. This includes considering social, economic and environment factors.

This proposal would introduce an additional heavy administrative burden on the charities and other bodies receiving grants, which Ministers do not believe is justified.

Existing Arrangements

The [Public Finances Manual](#) already includes requirements relating to the payment of grants, which are designed to ensure that public money is spent to support the objectives (and outcomes) of the States of Jersey. These include, in addition to the need to support strategic aims, priorities and outcomes, that:

- Accountable Officers should periodically review grants awarded for their effectiveness and timeliness in achieving agreed outcomes. The frequency of review should be determined at the outset and by reference to the quantum of the grant and perceived level of risk of achieving the desired strategic aims and outcomes.
- The Accountable Officer must:
 - ensure grants have been used for their intended purpose
 - ensure that funding agreements are in place for all grants. The format and complexity of the funding agreement should be proportionate to the value of the grant and the risk involved.
 - ensure that value for money outcomes are maximised and appropriate value for money measures for grants are included in funding agreements.

In addition, where grant funding is in excess of £75,000, the annual accounts of the recipients must be published.

Changes to the Public Finance Manual are required to go through a consultation process, which allows all consequences to be considered by a range of stakeholders. This is the appropriate process to ensure that financial controls are well designed to meet their aims without creating needless bureaucracy. The amendment would in effect circumvent this process.

Controller and Auditor General Report on Jersey Performance Framework

The recent report of the Comptroller and Auditor General on the Jersey Performance Framework ([R.163/2024](#)) made a number of recommendations in relation to sustainable wellbeing. In considering the report, the Government has carefully considered the prioritisation of this work. Whilst the recommendations are sensible, consideration has been given to whether proposed actions are proportionate, given the necessity to manage public expenditure and bureaucracy. The focus of Ministers therefore to increasingly promote good practice and guidance, supported by training, across government. This will aid rounded decision-making, including sustainable well-being, without excessive processes.

Red-Tape

One of our priorities is to “Reduce red tape, enhance opportunities for business and strengthen Jersey’s international reputation”.

The amendment proposed will create more bureaucracy, not only for government but also for third parties, which will include business and charities – with no de minimis applied.

Before any changes of this nature are made, it would be vital to carry out proper consultation with the bodies that will be impacted by the change.

Accordingly, the Council of Ministers requests that Members reject this Amendment.