STATES OF JERSEY

GOVERNMENT PLAN 2021–2024 (P.130/2020): TENTH AMENDMENT

Lodged au Greffe on 30th November 2020
by the Connétable of St. Helier

STATES GREFFE

GOVERNMENT PLAN 2021–2024 (P.130/2020): TENTH AMENDMENT

1 PAGE 3, PARAGRAPH (j) –

After the words "as set out at Appendix 3 to the Report" insert the words –

> ", except that the Minister for Treasury and Resources is requested to carry out a review into the funding of public services by the Parishes, as agreed in the Common Strategic Policy, and to bring forward recommendations in time for any financial implications to be included in the 2022 Government Plan and thereafter.".

CONNÉTABLE OF ST. HELIER

Note: After this amendment, the proposition would read as follows –

THE STATES are asked to decide whether they are of opinion −

to receive the Government Plan 2021 – 2024 specified in Article 9(1) of the Public Finances (Jersey) Law 2019 ("the Law") and specifically –

(a) to approve the estimate of total States income to be paid into the Consolidated Fund in 2021 as set out in Appendix 2 – Summary Table 1 to the Report, which is inclusive of the proposed taxation and impôts duties changes outlined in the Government Plan, in line with Article 9(2)(a) of the Law;

(b) to approve the amounts to be transferred from one States fund to another for 2021, in line with Article 9(2)(b) as set out in Appendix 2 – Summary Table 2 to the Report;

(c) to approve the proposed borrowing to be obtained for 2021, in line with Article 9 (2)(c), up to and including the amount set out in Appendix 2 – Summary Table 3 to the Report;

(d) to approve each major project that is to be started or continued in 2021 and the total cost of each such project and any amendments to the proposed total cost of a major project under a previously approved government plan, in line with Article 9(2)(d), (e) and (f) of the Law and as set out in Appendix 2 - Summary Table 4 to the Report;

(e) to endorse the efficiencies and other re-balancing measures for 2021 contained in the Government Plan as set out in Appendix 2 Summary Table 6 and reflected within each gross head of expenditure in Appendix 2 – Summary Table 5(i);

(f) to approve the proposed amount to be appropriated from the Consolidated Fund for 2021, for each head of expenditure, being gross expenditure less estimated income (if any), in line with Articles 9(2)(g), 10(1) and 10(2) of the Law and set out in Appendix 2 – Summary Tables 5(i) and (ii) of the Report;

(g) to approve the estimated income, being estimated gross income less expenditure, that each States trading operation will pay into its trading fund in 2021 in line with Article 9(2)(h) of the Law and set out in Appendix 2 – Summary Table 7 to the Report;

(h) to approve the proposed amount to be appropriated from each States trading operation's trading fund for 2021 for each head of expenditure in line with Article 9(2)(i) of the Law and set out in Appendix 2 – Summary Table 8 to the Report; (i) to approve the estimated income and expenditure proposals for the Climate Emergency Fund for 2021as set out in Appendix 2 – Summary Table 9 to the Report;

(i) to approve the estimated income and expenditure proposals for the Climate Emergency Fund for 2021as set out in Appendix 2 – Summary Table 9 to the Report;

(j) to approve, in accordance with Article 9(1) of the Law, the Government Plan 2021-2024, as set out at Appendix 3 to the Report, except that the Minister for Treasury and Resources is requested to carry out a review into the funding of public services by the Parishes, as agreed in the Common Strategic Policy, and to bring forward recommendations in time for any financial implications to be included in the 2022 Government Plan and thereafter.

REPORT

In his introduction to the Government Plan (Appendix 3) the Chief Minister pledges to 'continue to invest in the Common Strategic Policy's priorities,' further stating, 'The commitments made in the Common Strategic Policy, which underpin all of our work as a government, have not been forgotten.' I hope that the Treasury Minister is of a similar mind, although her response to my oral questions in the States last year has left me in some doubt.

On 2nd July 2019 the following exchange took place between us:

Constable of St Helier: 'The Common Strategic Policy, P.110/2018, debated on 4th December last year committed the Council of Ministers to and I quote: "Work to achieve fairness in the delivery of services to the public, which does not disadvantage St Helier ratepayers when compared with the ratepayers of other Parishes." End quote. I have examined the report on the Council of Ministers' first year in office, published on 18th June, particularly Common Theme 3 and I can find no reference to any work having been undertaken in this important area, important at least to St Helier ratepayers. Would the Minister for Treasury and Resources please assure me that work is ongoing to achieve this agreed objective?'

Minister for Treasury and Resources: 'I completely agree with the Connétable that fairness is the whole dynamics of the C.S.P. (Common Strategic Policy) and I cannot, specifically, go into details of that because the Government Plan is going to be released next week, lodged on 16th July, so the week after next and the details will be in that.'

Constable of St Helier: 'Can I thank the Minister for Treasury and Resources for her answer? Because, as it happens, 16th July is St. Helier Day and that is an appropriate day for that, hopefully, good news for St Helier ratepayers to be published.'

However, I was deceived in this expectation.

Before explaining how this occurred, and why I am seeking to amend the new Government Plan, it is worth recapitulating exactly what the problem is, as set out in the eleventh Amendment to the Corporate Strategic Policy (2018), and before that, in the seventh amendment (P.27/2015 Amd.(7(6))) to the Draft Strategic Plan 2015 – 2018, and way back in 2004, in my amendment to 'Machinery of Government Report: the relationship between the Parishes and the Executive' (P.40/2004), all of which were approved by the States Assembly.

Sixteen years on from P.40/2004 only the unequal burden of welfare payments across the Parishes has been resolved by the replacement of Parish welfare with Income Support. The unfairness of 'the position of St. Helier', as identified in Recommendation 19 of that report, in respect of the provision of municipal services for the public, has not been addressed, however, so the inequity continues to this day. As is often pointed out, everyone uses St Helier, but it's the ratepayers of the Parish who pick up the bills. Some parks enjoyed by the public are funded out of general taxation – Winston Churchill Park and the seafront gardens in St Brelade, Millbrook Park in St Lawrence, Howard Davis Park in St Saviour, Devon Gardens in Gorey – but First Tower Park, People's Park, Parade Gardens, La Collette Gardens, all of these are paid for by the ratepayers of St Helier. A similar situation affects public toilets, which the Department of Infrastructure, Housing and Environment maintains across the Island (including some facilities in St

Helier), but requests to past Ministers that the States' team also maintains the Parish's toilets have fallen on deaf ears.

There are at least 2 potential solutions to be considered in order to end this unfairness: the States could provide financial support to the ratepayers of the Parish of St Helier in respect of the municipal services it provides for the benefit of all Islanders; alternatively, the States could cease to fund municipal services in the other Parishes out of taxation, and require ratepayers of the other Parishes to fund such facilities in their Parishes, as has always been the case in St Helier.

In spite of the Treasury Minister's upbeat answers to my Oral Question in July 2019, there was no reference to the subject in the Government Plan when published on St Helier Day. Accordingly I questioned the Minister again on 24th September:

Constable of St Helier: 'Given the commitment in the Common Strategic Policy to achieve fairness in the delivery of public services, that does not disadvantage St Helier ratepayers; and further to the Minister's response to a question on 2nd July 2019 that "Fairness is the whole dynamics of the C.S.P. (Common Strategy Policy)" and that details on achieving that fairness will be in the Government Plan, will the Minister explain how this is reflected in the plan?'

Minister for Treasury and Resources: 'The Connétable of St Helier will be aware that an independent rates working group was established in 2018. It was tasked with examining whether there should be a revaluation of rateable values for properties in Jersey. The group has made considerable progress in this matter. It carried out extensive work on this issue and it has met 5 times throughout 2019. The issues involved are complex and a lot of research has been carried out about how regimes operate in other jurisdictions. That work was not completed by the date the Government Plan was published and, for that reason, details were not included in the plan. The group is now close to concluding its work on this matter and it will then provide written recommendations to myself and the Comité des Connétables. Until I receive these recommendations, I am afraid I cannot comment further.'

After initially being rendered speechless by this response, I tried to clarify what I hoped was the subject under discussion in a Supplementary Question:

Constable of St Helier: 'With respect, that answer was completely irrelevant. I hesitate, at this stage, to know where to go, because the amendment that I brought and that was accepted to the C.S.P. was addressing the fact that St Helier ratepayers uniquely pay for the delivery of public facilities such as parks, gardens, toilets, litter cleaning and so on to the tune of about £1.7 million. That bill around the rest of the Island is picked up by the taxpayer. The agreement was made by the Council of Ministers to address that unfairness. I am basically trying to find out where that is in the Government Plan, because the Minister did tell me, in a previous sitting, that it was in there. I have looked through it and I cannot find it.'

Minister for Treasury and Resources: 'As I said in my opening remarks, the review was not completed by the date of the publication of the Government Plan and until I am in receipt, along with the Comité des Connétables, which will obviously include the Connétable of St Helier, there is nothing to comment on, because we have not received the results of the review.'

Constable of St Helier: ‘We really are talking at cross-purposes here. The Minister is talking about the rates revaluation, which is an important piece of work and it has been agreed by the States that it will be done. What I am talking about is the unfairness in the delivery of public services, which are uniquely paid for in St Helier by ratepayers and which means that St. Helier ratepayers pay more in rates than they would if these maintenance costs were picked up by the taxpayer. Now, I was assured that work was ongoing and I have to conclude that work has not happened. Perhaps I need to bring an amendment to the Government Plan and make the arguments all over again.’

The Bailiff: ‘Was there a question there, Connétable?’

Constable of St Helier: ‘Does the Minister agree that I should bring an amendment to the Government Plan?’

Minister for Treasury and Resources: ‘I have long been aware of the question of unfairness expressed by the Connétable of St Helier and that is exactly what the rates working group has been set up to do, but as I consistently say, without the information and completion of this review, which is due in the next couple of weeks, then I cannot give the Connétable the information that he requests.

In my final Supplementary Question I tried for the fourth time to set the Minister on the right track: ‘It seems to me that, as I say, the question I have put here, which was the substance of my amendment to the C.S.P., which was accepted by the Council of Ministers, has been not dealt with. I will just repeat my question: does the Minister for Treasury and Resources believe, notwithstanding that there is a review going on into rates, which of course is important, that I should bring an amendment to the Government Plan if I want to achieve fairness for St Helier ratepayers?’

Minister for Treasury and Resources: ‘There is nothing stopping the Connétable from bringing an amendment to the Government Plan, but would it not be better to wait until we have the results in the next couple of weeks of the rates working review group to see what they have come up with, which will be shared with the Comité as soon as I get them?’

In spite of the Minister’s assurance that she has ‘long been aware’ of the unfairness of the position of St Helier in respect of the funding of public services, there was no evidence of that in her answers. The implementation date proposed in P.40/2004, as amended, was May 2006, after which time St Helier’s ratepayers were supposed to have been relieved of this unequal burden. While I accept, of course, that the Treasury Minister and her team have been far too busy since March this year to divert any resources to gaining an understanding of this matter, I believe that the time has come for this pledge in the Common Strategic Policy to be fulfilled, and to that end I am proposing that the Minister conducts a review into the matter and brings forward recommendations in time for implementation in next year’s 2022 Budget debate.

It will be noted that I am requesting a review into how such services as parks, gardens, toilets, litter bin emptying and cleansing operations are conducted across the Parishes, for, while St Helier ratepayers clearly pay the lion’s share at present, I am aware that other Parishes bear costs of this sort and these will need to be taken into account.

Financial and Manpower Implications

Because the Government has yet to fulfill this particular pledge in the Common Strategic Policy, it is impossible to know what size of grant might be appropriate to address the unfairness of the way certain public services are currently funded by some of the Parishes. The staffing implications of this Proposition to the Treasury Department in 2021 will be negligible as the review can be carried out 'in house.' Depending on the outcome of the review there may be a revenue budget implication in 2022 and thereafter, in which case efficiencies would have to be brought forward or expenditure increase, and by consequence increase the borrowing requirement.