
STATES OF JERSEY



FINANCE LAW DELEGATION REPORT FOR THE SIX-MONTH PERIOD TO 30TH JUNE 2021

**Presented to the States on 20th August 2021
by the Minister for Treasury and Resources**

STATES GREFFE

REPORT

1. The administration of the public finances of Jersey

In accordance with the [Public Finances \(Jersey\) Law 2019](#) (“the Law”) certain matters are required to be reported to the States Assembly twice yearly by the Minister for Treasury and Resources (“the Minister”).

This report summarises all decisions made during the six-month period to 30th June 2021. Where decisions have not previously been published, this is due to one of two reasons -

- The decisions were exempted under the Freedom of Information (Jersey) Law 2011; or
- The decisions were taken by the Treasurer of the States under delegated authority from the Minister.

2. Reporting on decisions

The areas of administration which are required to be reported on are as follows:

- (a) each function undertaken, within the applicable 6-month period under any of Articles 18 to 21, 24 and 26 to 28; and
- (b) each direction given, within the applicable 6-month period by the Minister under Article 15(3) with respect to the amounts appropriated for a reserve head of expenditure.

Article 18 relates to transfers between heads of expenditure.

Article 19 relates to transfers to the following year’s reserve.

Article 20 relates to transfers of major project amounts to the following year.

Article 21 relates to the power to allocate excess income.

Article 24 relates to emergency expenditure.

Article 26 relates to financing (borrowing).

Article 27 relates to loans.

Article 28 relates to guarantees and indemnities.

There were no approvals in the period under Article 24. Other approvals are detailed below.

2.1. Transfers between heads of expenditure under Article 18.

Department		£	Purpose
From	To		
CLS	General Reserve	814,000	Transfer following agreed deferral of Andium annual rent adjustment. (MD-TR-2021-0004)
IHE	Road Safety Improvements Capital Head of Expenditure	Up to 1,672,000	Redirection of the balance of the Jersey Car Parking financial return to the States,

			after funding of revenue items. (MD-TR-2021-0015)
COO	IHE	Net income budget of 56,000	Transfer of budget for the budget for the Geospatial Information System. (MD-TR-2021-0022)
General Reserve	Reserve for Centrally Held Items	60,000	Transfer for ring-fenced purposes i.e. Revenue Consequences of Capital Schemes. (MD-TR-2021-0029)
Financial Services and Digital Economy	OCE	152,000	Transfer of budget and posts associated with the Communications directorate. (MD-TR-2021-0038)
JHA	CLS	92,200	Transfer to fund additional staffing to administer the change in the GST de minimis. (MD-TR-2021-0042)
CYPES	HCS	82,000	Transfer of budget and staffing for two Therapy Support Assistants. (MD-TR-2021-0050)
HCS	SPPP	470,000	Transfer of Preventable Diseases programme funding to situate project resources in the appropriate departments. (MD-TR-2021-0051)
HCS	CYPES	179,000	Transfer of Preventable Diseases programme funding to situate project resources in the appropriate departments. (MD-TR-2021-0051)
CYPES	CLS	32,400	Transfer of budget for the Nursery Education Funding (NEF) administrator post. (MD-TR-2021-0054)
HCS	CYPES	600,000	Transfer of the budget for Child and Adolescent Mental Health Services (CAMHS) service. (MD-TR-2021-0058)
CYPES	COO	2,101,000	Transfer of the budget and staffing for the Digital team supporting CYPES. (MD-TR-2021-0059)
Various heads of expenditure	Our Hospital	Up to 17,796,000	To provide essential funding for the Our Hospital project. (MD-TR-2021-0066)

States of Jersey Police	COO	1,273,200	Transfer of the budget and staffing for the Digital team supporting the States of Jersey Police. (MD-TR-2021-0071)
HCS	CLS	493,000 income and 374,250 expenditure	Transfer of Crematorium budget and staff. (MD-TR-2021-0078)

2.2. Transfers to the following year's reserve under Article 19.

From Department	Amount £	Purpose
Non-Ministerial departments	903,288	To the Smoothing Reserve – Court & Case Costs in 2021. (MD-TR-2021-0013)
OCE	140,000	To the Smoothing Reserve – Court & Case Costs in 2021. (MD-TR-2021-0013)
IHE	20,088	To the Smoothing Reserve – Markets surplus in 2021. (MD-TR-2021-0013)
Various departments	9,671,856	Unspent 2020 funding. (MD-TR-2021-0013)
Various capital project Heads of Expenditure	Up to 84,300,000	Unspent 2020 funding. (MD-TR-2021-0013)
Reserves	Up to 55,100,000	Unspent 2020 funding. (MD-TR-2021-0013)
OCE	Up to 1,500,000	Unspent 2020 funding. (MD-TR-2021-0017)
Reserves	4,735,141	Unspent 2020 funding. (MD-TR-2021-0017)
Electronic Patient Records	Up to 667,000	Adjustment to MD-TR-2021-0013 to transfer funding from this head of expenditure instead of Combined Control IT. (MD-TR-2021-0021)

2.3. Transfers of Major Project heads of expenditure to the following year under Article 20

Head of expenditure	Amount £
MS Foundation	1,426,709
Integrated Technology Solution	10,511,806
Cyber Security	2,167,625
Office Modernisation Project	3,252
Liquid Waste Strategy	18,200,000
Our Hospital	14,375

2.4. Approvals of the allocation of excess income under Article 21

Department	Amount £	Purpose
Law Officers' Department	250,000	Use of additional income from the Criminal Offences Confiscation Fund to maintain Jersey's position as a donor nation for the next three years, 2021-2023 inclusive, to the International Centre for Asset Recovery (ICAR) (MD-TR-2021-0023)
CLS	2,858,411	Allocation from the Fiscal Stimulus Fund for Tranche One grant awards. (MD-TR-2021-0044)
CYPES	4,172,352	Allocation from the Fiscal Stimulus Fund for Tranche One grant awards. (MD-TR-2021-0044)
HCS	188,992	Allocation from the Fiscal Stimulus Fund for Tranche One grant awards. (MD-TR-2021-0044)
IHE	8,296,132	Allocation from the Fiscal Stimulus Fund for Tranche One grant awards. (MD-TR-2021-0044)
OCE	7,308,056	Allocation from the Fiscal Stimulus Fund for Tranche One grant awards. (MD-TR-2021-0044)
Conversion Courtroom and Dewberry House heads of expenditure	2,240,000	Use of additional income from the Criminal Offences Confiscation Fund. (MD-TR-2021-0066)
CLS	189,500	Allocation from the Fiscal Stimulus Fund for Tranche Two grant awards. (MD-TR-2021-0074)
CYPES	1,897,300	Allocation from the Fiscal Stimulus Fund for Tranche Two grant awards. (MD-TR-2021-0074)
HCS	859,655	Allocation from the Fiscal Stimulus Fund for Tranche Two grant awards. (MD-TR-2021-0074)
IHE	1,477,070	Allocation from the Fiscal Stimulus Fund for Tranche Two grant awards. (MD-TR-2021-0074)
OCE	2,393,066	Allocation from the Fiscal Stimulus Fund for Tranche Two grant awards. (MD-TR-2021-0074)

2.5. Approvals of financing (borrowing) under Article 26

On 21st May 2021 the Minister signed MD-TR-2020-0062 authorising drawdowns up to £130 million from the Revolving Credit Facility for the period to 30th June 2021, and

authorising the Treasurer of the States to complete monthly utilisation requests for May and June 2021 as required up to a total maximum of £130 million. As of 30th June, the Treasurer approved a total utilisation request of £25 million to meet the cashflow requirements for the Government of Jersey to the end of June 2021.

2.6. Approvals of loans under Article 27 (as amended by P.28/2020)

2.6.1. Housing Development Fund

During the six-month period to 30th June 2021, no new loans were approved by the Minister for Treasury and Resources.

The net value of loans outstanding from the Housing Development Fund decreased from £226,205,030 at 31st December 2020 to £223,369,108 at 30th June 2021.

Loans from the HDF were split between the following loan holders:

Andium	£222,119,108
Le Vaux Housing Trust	£1,250,000
Total loans	£223,369,108

2.6.2. Other loans

On 30th June 2020 the Minister had approved MD-TR-2020-0081 which agreed a secured loan facility of £10 million to Blue Islands Limited. Under delegation from the Minister the Treasurer had approved the drawdowns from this amount of £5 million (on 13th July 2020) and a further £2 million (on 14th September 2020). On 23rd April 2021 the Treasurer approved a further drawdown of £1.5 million.

2.7. Approvals of guarantees under Article 28 (as amended by P.28/2020)

2.7.1. Jersey student loan scheme

During the six-month period to 30th June 2021, no new loans were guaranteed by the States under the Jersey Student Loan Scheme.

P53/2007 Student Loans for higher education – guarantees was debated by the States Assembly on the 6th June 2007 and a maximum outstanding limit of £10 million for an unlimited time period was approved.

2.7.2. Disruption Loan Guarantee Scheme

On 30th June 2021 the Minister signed MD-TR-2021-0081 to extend the scheme to 30th September 2021. As at 30th June 2021, 163 applications had been received by banks, of which 65 had progressed and issued into Loans.

The loans that have been guaranteed and issued had a value of £3.6 million as at 30 June 2021, of which the guarantee is 80% of capital plus accrued interest. At that date, no defaults have been formally notified by the issuing banks, although we had been notified of one likely default whose full guaranteed value is £28k plus interest.

2.8. Allocations from the Reserve under Article 15(3)

Department		£	Purpose
From	To		
General Reserve	Office of the Comptroller and Auditor General	Up to 73,000	For the increase in costs delivering Annual Audit for the year end 31 December 2021. (MD-TR-2021-0002)
General Reserve (Covid)	Financial Services and Digital Economy	Up to 241,500	To enable essential air connectivity to and from the Island due to the impact of COVID-19. (MD-TR-2021-0006) (later rescinded and replaced by MD-TR-2021-0045)
General Reserve	HCS	Up to 6,390,111	For the delivery of initiatives to manage and mitigate the impact of COVID-19 in 2020. (MD-TR-2021-0008)
General Reserve	CYPES	Up to 1,100,000	For the delivery of initiatives to manage and mitigate the impact of COVID-19 in 2020. (MD-TR-2021-0008)
General Reserve (Covid)	Covid-19 Response	Up to 27,600,000	For the Co-Funded Payroll Scheme Phase 4. (MD-TR-2021-0011)
General Reserve	Jersey Overseas Aid	407,411	2020 unspent funding reallocated in 2021. (MD-TR-2021-0013)
General Reserve	Various capital project Heads of Expenditure in 2021	Up to 32,137,423	2020 unspent funding reallocated in 2021. (MD-TR-2021-0013)
General Reserve	Our Hospital	Up to 11,167,000	To fund early works in advance of the financing of the main project. (MD-TR-2021-0020)
General Reserve (Covid)	CYPES	Up to 955,000	To enable investment in the children's mental health and wellbeing via an expansion in capacity within the Child and Adolescent Mental Health Service. (MD-TR-2021-0030) (later rescinded and replaced by MD-TR-2021-0045)
General Reserve	COO	Up to 1,500,000	For Commercial Services Accelerated Transformation. (MD-TR-2021-0033)
General Reserve (Covid)	Covid-19 Response	Up to 190,000	For devices for online home learning for Primary and Secondary students. (MD-TR-2021-0043)
General Reserve (Covid)	Covid-19 Response	Up to 1,196,500	For investment in children's mental health and wellbeing and to enable essential air connectivity to be

			maintained. (MR-TR-2021-0045) (Rescinds and replaces MD-TR-2021-0006 and MD-TR-2021-0030)
Central Planning Reserve	IHE	Up to 850,000	For pre-feasibility work on four projects. (MD-TR-2021-0049)
General Reserve	T&E	Up to 1,299,450	For Revenue Jersey – high demand, transformation capacity, succession planning and data management requirements - and the creation of an additional 18 FTE (Full-time Equivalent) posts within T&E. (MD-TR-2021-0052)
Reserve for Centrally Held Items	Various Heads of Expenditure in 2021	Up to 5,766,500	To cover the costs associated with the 2020 and 2021 Pay Awards in respect of specific pay groups and pension fund contribution increases. (MD-TR-2021-0065)
General Reserve	Financial Services and Digital Economy	Up to 461,140	To fund the Mock MONEYVAL assessment. (MD-TR-2021-0073)
General Reserve (Brexit)	Financial Services and Digital Economy	Up to 560,000	For the Fisheries Support Scheme to assist with the effects of Brexit. (MD-TR-2021-0075)
Central Planning Reserve	IHE	Up to 50,000	For the Rouge Bouillon site review – St Helier Schools. (MD-TR-2021-0076)
Reserve for Centrally Held Items	Various Heads of Expenditure in 2021	Up to 1,136,800	To cover the costs associated with the 2020 and 2021 Pay Awards in respect of specific pay groups. (MD-TR-2021-0080)

Abbreviations

CLS	Customer and Local Services
COO	Chief Operating Office
CYPES	Children, Young People, Education and Skills
IHE	Infrastructure, Housing and Environment
HCS	Health and Community Services
OCE	Office of the Chief Executive
SPPP	Strategic Policy, Performance and Planning
T&E	Treasury and Exchequer

Minister for Treasury and Resources

August 2021.