

STATES OF JERSEY



DRAFT ANNUAL BUSINESS PLAN 2012 (P.123/2011): TWELFTH AMENDMENT

**Lodged au Greffe on 30th August 2011
by the Deputy of St. Mary**

STATES GREFFE

DRAFT ANNUAL BUSINESS PLAN 2012 (P.123/2011): TWELFTH
AMENDMENT

PAGE 2, PARAGRAPH (a) –

After the words “withdrawn from the consolidated fund in 2012” insert the words –

“except that the net revenue expenditure of the Economic Development Department shall be increased by £88,357 with respect to the “Joint marketing”, “Destination Marketing and Communication” and “Events” lines in the department’s service analysis (page 26 of the Annex), in order to maintain the value of funding for Tourism in accordance with the Minister’s pledge not to cut the Tourism budget in 2012, and the net revenue expenditure of the Treasury and Resources Department (Provision for Central Reserves) shall be decreased by the same amount in 2012.”.

DEPUTY OF ST. MARY

REPORT

Inflation

An inflation figure of 2.5% is applied across the board to all departments for the inflation between 2011 and 2012 (see Annual Business Plan Volume 1, page 29, last paragraph).

So if a department wishes to maintain spend in a given area, it must increase that area's budget allocation by 2.5%.

Tourism allocation in the Annual Business Plan

On page 26 of the Annex, Economic Development Department spend in 2011 and proposed spend for 2012 is listed under the heading of "Marketing".

If you total the figures for "Joint marketing" and "Destination Marketing and Communication" and "Events" for 2011 they come to £5,491,275.

The total figure projected for 2012 is £5,475,200. This is less than the actual figure for 2011.

If you add the 2.5% inflation figure to the Tourism spend for 2011 you get a total of £5,628,557.

What the Minister said:

At its March Ministerial Hearing, Minister for Economic Development, Senator A.J.H. Maclean, said this to the Economic Affairs Scrutiny Panel:

"What I have said publicly is that for 2012 Tourism spend, for example, it is going to be protected, that is a policy decision and there are going to be no further cuts in 2012 for Tourism, . . . "

You cannot get much clearer than that.

And yet in the Annual Business Plan, we find that the Tourism budget has indeed been cut, from £5,628,557 to £5,475,200, a cut of £153,357.

Adjustment

However, there is a note on that page in the Annex, explaining that included in the figures is the transfer away from these parts of the budget of a sum of £65,000 to a different section of the Economic Development Department. So the total shortfall is £88,357.

Summary

This amendment restores the Tourism budget to its 2011 level in real terms in accordance with the Minister's pledge and policy decision. I do not have to spell out the importance of Tourism to Jersey, nor, I hope, do I have to spell out the importance of Ministers sticking to promises. I trust that the Minister will accept that there has been some mistake and rectify this matter before the debate.

Financial and manpower implications

This amendment is financially neutral as the increase for Economic Development is offset by a reduction in the £12,485,000 proposed allocation to Treasury and Resources Provision for Central Reserves.