Dear Helen

I welcome your review into the Parishes and relationship with Government because, as you are aware, I have had concerns regarding how efficient and effective the Parishes now are in a world which has changed significantly. I have always been a supporter of the Parishes but, following a few years of closer engagement with my own Parish, Grouville, I feel changes are now necessary to ensure they remain relevant and properly democratic.

I would like to make the following points:

1. **Accounting Policies**
   When I became involved at Parish level with scrutinising accounts, it amazed me that the accounting policies used to draw up the financial accounts are those either 'adopted' or 'selected' by the Parish. There is no reference to Generally Accepted Accounting Policies (GAAP). The Parish decides what accounting policies and practices should be used. This led to the decision by the Parish of Grouville to stop depreciating assets because, as the Constable frequently reminded the Parish Assembly ' I don't understand depreciation'. It may be the right decision - but that is the wrong reason to do it!!! Surely, in an island that strives to attain the highest level of financial probity and integrity, all Parishes should have their annual financial accounts prepared on the same accounting principles and these should be based on GAAP even if it is accepted that, given their public service nature, there can be non compliance with some of those standards. It states clearly in the accounts of those Parishes I have seen that the accounts cannot be compared with any other entity because the accounting basis is likely to be different. Surely, the Supervisory Committee should be agreeing the Accounting Policies for all Parishes which at least would make them comparable. That would start to bring the Parishes into the 21st century.

2. **Separate the Accounts from Rate Setting**
   The Parishes are the only organisation I am aware of that set a rate to pay for a budget part way through the financial year. The reason for this seems to be that the presentation of the Accounts for the previous year is somehow wedded to the Rates Assembly for the current year. I don’t believe this is a legal requirement and there appears little reason for it except it negates the task of predicting expenditure to year end and is based on audited accounts as actual year-end figures can be utilised. This just doesn't work and, in Grouville, has led in the past few years to the ridiculous situation where an Assembly is voting on a rate to cover a budget which is already 7 or 8 months into the year. In fact, the

deadline for paying the rate in one year was in Month 11 of the financial year when most of the expenditure had been committed or expended. This is just plain daft.

As a comparison, in the States, the Budget and taxation decisions are taken in the final few months of the preceding financial year (November/December) to come into being from the 1st January *(note: States financial year runs the same as a calendar year; Parishes run a financial year ending 30th April).* The financial decisions here are based on a predicted/forecasted figure for the yearly spend. The Accounts for the previous year are then presented when the auditors have done their job normally in May/June of the following year. *(Note: these are presented to the States and are not for approval; the Accounts are a statement of fact and can be questioned but are not for approval).* So why, in the Parishes, do we combine these two separate items meaning a Parish raises a rate when the financial year has already started? A great example of the absurdity this can lead to happened in Grouville this year. The tasteless red pavement painted alongside Grouville School is, hopefully, in the Roads Budget for 2025/6 but has already been completed. Grouville has yet to have its Rates Assembly so, when it does, the Parishioners will be asked to set a rate to include this item (which some Parishioners consider unacceptable) but it's already been done. The ratepayers have no ability to decide on some items in the budget because the money may already been spent and the project/scheme/proposal already done. Where is the democracy in that? If the Parish Assembly votes against this item, will the Parish have to remove the red line? At the ratepayers expense?

So in order to avoid this debacle and allow Parishioners the ability to vote on a budget and a rate ahead of the year to which it applies, simply separate out the Rates Assembly (to consider the budget and the Rate level required to raise the income to cover the budget) and hold that in February/March every year and hold a Parish Assembly in July/August each year to receive the Accounts. That is the sensible way to proceed but I know will be rejected by many who suggest the system isn't broken and there's no reason to fix it. Well, just look at Grouville over the past few years and tell me the system isn't broken. In addition, it is common sense to approve a budget, and the means of funding that budget, before a financial year starts.

3. **<u>Island Wide System of Rate Assessments</u>**

I know you will be discussing, or have already discussed, the inequity of rates assessments throughout the island with people who have invested time and effort (and a lot of stress) to put forward a better system. I fully support the view that the assessment process must be island wide or, at the very least, based on a single rate assessment criterion which is then utilised at Parish level and frequently tested with other Parishes to ensure the system is being applied consistently and fairly. This should not be up to an individual Parish to manipulate which is the current position. When the Parishes had no island wide impact, how rates were assessed made no difference because the Parish was simply using them as a means to raise a rate to pay for Parish services. The introduction of the Island wide rate changed this completely and makes it an imperative that the basis for these assessments is consistent, fair and equitable across the island. I note from the Law (Article 41) that the first duty of the Supervisory Committee is 'to encourage and promote uniformity in rateable values throughout Jersey.' This just isn't happening and the Supervisory Committee should be brought to account for actively supporting individual Parishes doing their own thing with no thought of the consequences.

4. **<u>Duplication of Parish Services</u>**
   I fully acknowledge that the services now provided by the Parishes are extremely limited but the fact Jersey, an island of 9 miles by 5, has at least 12 different refuse collection/recycling contracts is just not financial common sense. There is no common recycling scheme, which I accept is a decision made at local Parish level and one could argue is local democracy in action. All12 Parishes plus the States plus the Harbours have refuse disposal vehicles or contactors doing that work just seems bizarre. In years gone by when there were people in the Parishes willing to undertake this work, I'm sure it seemed efficient and kept things local. But that's not the case now and there are only certain operators capable of undertaking this level of provision which makes competitive tendering not so competitive. Surely an island wide refuse and recycling provision would be more efficient and effective.

I wish you the very best with this review and hope it leads to sustainable change. I remain committed to a local Parish identity but the current modus operandi is just not working.

Kind regards

Caroline Anderson