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Chair of the Corporate Services Scrutiny Panel
States Greffe
Morier House
St Helier

28th March 2024.

Dear Helen,

Ministerial and Legislative Priorities – Information Request

Thank you for your letter dated the 7th March 2024. Please find below my response to the panels request for information.

‘The Panel met on 5th March 2024 to discuss its work programme and, to inform this, agreed to request detail regarding your immediate ministerial and legislative priorities for 2024 as well as for the remainder of this term of office. Where possible, the Panel also requests to receive the anticipated lodging timelines in relation to your legislative programme’

Ministerial Priorities

Below, I outline my ministerial priorities for 2024 as follows:

- 1. Providing finance and commercial support for the New Healthcare Facilities and other government projects by:**
 - Facilitating appropriate and affordable funding strategies for projects.
 - Providing financial and commercial advice and guidance to project teams.
- 2. Supporting the current housing situation in the Island by:**
 - Implementing identified funding initiatives for new housing developments and supporting affordable purchases especially for first time buyers
- 3. Moving to mandatory independent taxation with an accompanying compensatory allowance for the 2026 year of assessment.**
- 4. Overseeing work on Pillars 1 & 2 - the Organisation for Economic Cooperation and Development (OECD) initiative to update international tax rules in light of the digitalising economy to ensure that Jersey aligns with international standards while supporting the Island’s long-term prosperity, by:**
 - Monitoring OECD and international developments throughout 2024 in order to advise Ministers on options for Pillar 2 implementation.

- Implementing any Minimum Standard elements of Pillar 1 and Pillar 2 once agreed by the Inclusive Framework.

5. Implementing the Government's Insurance Strategy

6. Improving the delivery of our public services by establishing a Value for Money Programme including:

- Supporting & monitoring the delivery of departmental savings
- Demonstrating continuous improvement
- Providing appropriate governance, reporting and resourcing for the Value for Money Programme
- Providing appropriate governance and reporting for the Value for Money Programme (including savings, improved service effectiveness and better user outcomes).

7. Infrastructure funding:

- Continuing to explore creating a local infrastructure pool within the Common Investment Fund for investment in income generating local infrastructure.

8. Upholding customer service standards by:

- Ensuring that there are effective processes in place within Revenue Jersey and the Finance Hub.
- Continuing to work on digital technologies to improve customer experience.
- Making ongoing improvements to the accessibility of public facing services.
- Beginning to develop the digital strategy for Revenue Jersey customers following the Organisation for Economic Cooperation and Development (OECD) framework.

9. Continuing to transform the Treasury and Exchequer Department by:

- Improving communications, correspondence and guidance for customers. Including a review of standard letters and guidance notes to make sure they are easy to understand and address customer needs.
- Embedding, monitoring and reporting on the functionality and usability of new IT systems.
- Continuing Revenue Jersey transformation, including ongoing enhancements to the Revenue Management System and the Future Digital Strategy

Legislative Priorities for 2024

Priority	Detail	Lodging timelines (if applicable)
Independent taxation	Final stage of legislation to bring all couples into Independent Taxation by the year of assessment 2026; and to provide a compensatory allowance for those couples who would be otherwise financially disadvantaged.	Lodged (P.6/2024). Due for debate on 16 April 2024.
Pillar 2	See response in next section.	Expected to be lodged before the summer recess 2024.
Postpone collection of PYB debt	As a cost-of-living support measure, to postpone the collection of the frozen 2019 liability of former PYB taxpayers. The proposal is to start payments in 2027 (rather than 2025) with all frozen bills to be paid by the end of 2043 (rather than 2041).	Lodged (P.16/2024). Due for debate on 30 April 2024.
CFI project	To integrate the collection of social security contributions into Revenue Jersey.	N/A
Finance Law 2025	Annual legislation that underpins the revenue measures in the Government Plan.	Expected to be lodged by 10 September 2024.
Customer Service (tax and debt management)	Work with Revenue Jersey and the Treasury Debt-management Team to keep improving service levels.	N/A

The Panel is aware that the Organisation for Economic Co-Operation and Development (OECD) Two Pillar Taxation workstream was progressing with the intention for the draft legislation to be lodged in Q2 2024. Considering the importance of this workstream and the cross over with the remit for the Economic and International Affairs Panel, the Panel would welcome to receive a progress update on the workstream to assist with informing the scrutiny approach.

There remains a political commitment, as set out in the May 2023 announcement joined by the other Crown Dependencies, to adopt an Income Inclusion Rule and domestic minimum tax from the beginning of 2025 as part of implementation of the OECD's Pillar 2 global minimum tax framework.

Revenue Jersey officers continue to work toward finalising a recommendation for approval by the Council of Ministers regarding the design of the domestic minimum tax. This will take account of ongoing developments at the OECD and information on implementation by other jurisdictions.

Officers are working with the Legislative Drafting Office to prepare draft legislation and, subject to the approval of the Council of Ministers, expect that the legislation will be lodged with the States Assembly prior to the summer recess.

In addition, the Panel wishes to follow up regarding the Ministerial Response to the Government Plan Review 2024-27 - S.R.4/2024 - which was due by 17th January 2024. It is the Panel's understanding that the Ministerial Response (jointly with the Chief Minister) would be received following the appointment of the new Council of Ministers. Therefore, the Panel seeks clarification on the timeline for receiving this and would appreciate to receive it as soon as possible.

The Chief Minister and I are currently in the process of reviewing the Ministerial Response to the Government Plan Review 2024-27 - S.R.4/2024. It is our aim is to return our response to you by the end of April.

Yours sincerely

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Minister - Treasury and Resources

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