

STATES OF JERSEY



STATES OF JERSEY BUDGET 2017: ALLOCATION TO THE PARISHES OF FUNDS SET ASIDE FOR THE PAYMENT OF RATES ON STATES' PROPERTIES

**Lodged au Greffe on 19th September 2017
by the Connétable of St. Helier**

STATES GREFFE

PROPOSITION

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

- (a) to agree that by reason of a change in anticipated circumstances, part of the amount approved in the Draft Medium Term Financial Plan Addition for 2017 – 2019 (P.68/2016) is no longer required to be expended (specifically, that part relating to the payment of rates);
- (b) to request the Minister for Treasury and Resources and the Minister for Infrastructure to take the steps necessary (pursuant to Article 18(1A) of the Public Finances (Jersey) Law 2005) to transfer the sum of £899,960.48 no longer required for the payment of rates by the States in 2017 to contingency expenditure;
- (c) to request the Minister for Treasury and Resources to transfer £899,960.48 to the parishes by way of *ex gratia* payments as set out below.

Parish	£
Grouville:	3,386.78
St. Brelade:	41,897.48
St. Clement:	25,628.54
St. Helier:	642,130.47
St. John:	3,339.46
St. Lawrence:	4,212.38
St. Martin:	6,526.17
St. Mary:	2,756.95
St. Ouen:	5,027.93
St. Peter:	8,926.62
St. Saviour:	148,390.24
Trinity:	7,737.46
Total:	899,960.48

CONNÉTABLE OF ST. HELIER

REPORT

The States of Jersey has agreed the principle of the payment of Parish rates on public buildings, most recently in the debates on the States Strategic Plan and the Medium Term Financial Plan.

The Minister for Treasury and Resources attempted to achieve this on 14th December 2016 when he presented the Draft Finance (2017 Budget) (Jersey) Law 201-[\(P.113/2016\)](#). Article 16 of the Law, providing the mechanism for a revaluation of rateable values and, therefore, the prospect of a financially sustainable approach to the States paying rates, was approved by 22 votes to 17; however, Article 17, which would have allowed for the States' payment of rates to proceed in 2017 was defeated by 20 votes to 17. (The transcript of the debate on P.113/2016 is available on [Hansard](#)). The States on 23rd May this year subsequently approved by 38 votes to 2 my proposition requesting the Minister for Treasury and Resources to 'consult on and bring forward for debate proposals for the payment of Parish rates by the States in 2018.'

However, the fact remains that previous States' decisions to commence the payment of rates *this* year has left approximately £900,000 in the Department of Infrastructure ("DFI") budget, and both the Minister for Infrastructure and the Minister for Treasury and Resources have told me that they believe that they should be allowed to spend the money allocated for the States to pay rates in 2017 pro-rata amongst the 12 parishes in the same proportion as would have obtained if the States' payment of rates in 2017 had been agreed.

Accordingly I lodged [P.61/2017](#) which was due to be debated by the States after the summer recess and which stipulated that, if approved, the payments should be for 'Parish infrastructure projects.' Over the summer the Minister for Infrastructure sought members views ahead of the debate with most of the responses copied to me indicating that members believed that these funds should be released to the Parishes with no 'strings attached' and to parish budgets as rates income in the normal way; there was also continuing uncertainty about whether what was proposed in P.61/2017 would actually be *intra vires* as far as the Public Finances (Jersey) Law 2005 is concerned.

I met H.M. Attorney General on 18th August to seek his advice and I am grateful to him and his officers for their assistance in this matter. The new proposition proposes an allocation of the funds to the Parishes and, if the Proposition is approved by the States, it will be left to individual Parishes to decide whether to spend the sums on infrastructure projects or not; and, if they do wish to spend the money on projects, whether they ask DFI to implement them or not. Constables may well wish to seek the views of their Parish Assemblies in this regard. As far as the Parish of St. Helier is concerned, there are several projects which the Parish Roads Committee is keen to see started this year, including pedestrian safety improvements on Tower Road and the development of a 'Village Improvement Scheme' for Havre des Pas, but as St. Helier's allocation is a large sum I would expect ratepayers to decide upon how it is spent.

Financial and manpower implications

There are no financial consequences to the States arising out of this proposition as the necessary funds have already been set aside; there are no manpower requirements.