

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY T.A. VALLOIS OF ST. SAVIOUR
ANSWER TO BE TABLED ON TUESDAY 7th JUNE 2011**

Question

“Could the Minister please detail the funding that has been released, so far, from the Central Allocation of £15 million to departments, as agreed in the Annual Business Plan 2011?”

Answer

The £15 million of Central Allocation referred to in the question relates to two separate provisions:

1. Provision for Central Reserves (£8.862 million) – to provide for unforeseen expenditure within a financial year; and
2. Provision for Restructuring (£6 million) – to provide investment to facilitate the achievement of the CSR savings proposals.

Central Reserves

There has been one approval for funds from the Central Reserves in 2011, the Ministerial Decision being signed by the Minister for Treasury and Resources on 31st May 2011. This relates to an allocation of £500,000 required to fund the costs of the increased time for teachers planning, preparing and assessing in 2011 which was agreed as part of the negotiations between the States Employment Board and the Teachers Associations concerning the salaries and terms and conditions of teachers in Primary, Secondary and Special Education for the period 1st January 2010 to the 31st December 2011.

Restructuring Provision

The Council of Ministers in January 2011 agreed that all requests from departments for funds from this provision to support the delivery of CSR proposals would be formally approved by the Council except in exceptional circumstances (normally when the time delay would be critical). The actual transfer of funds then requires a Ministerial Decision of the Treasury and Resources Minister.

To date, a total of £5,670,400 has been approved by the Council of Ministers. Not all these funds have yet been transferred to the relevant department. A breakdown by department is as follows:

	£
Treasury & Resources *	3,112,700
ESC	1,326,000
H&SS	851,000
TTS	135,000
Home Affairs	54,600
Environment	85,000
Chief Ministers	79,000
Non Ministerial Departments	27,100
TOTAL	5,670,400

- It should be noted that the expenditure allocated to the Treasury and Resources (T&R) Department reflects two elements:
- The fact that T&R acts as a facilitator to other departments so that they can achieve their savings – for instance, by providing additional HR, Finance and the central CSR Delivery Team; and
- The fact that T&R has the responsibility for achieving the large corporate savings through the Terms and Conditions and Procurement Projects, which comprise over 30% of the total savings target.

The type of expenditure supported can be considered over 3 principal categories:

1. Redundancy and buy out payments to staff
2. Funding in support of major change programmes within departments – this includes support in the following areas: financial, human resources, organisational development, project management, employee relations, procurement and central CSR support to monitor and co-ordinate the programme.
3. Investment related to a specific CSR savings proposal

The breakdown over these categories is as follows:

	£
Redundancy/Buy Out Payments	1,309,400
Funds in support of change	3,598,600
Investment related to specific CSR Savings	762,400
	5,670,400