

2014.09.09

**3.15 Deputy J.H. Young of St. Brelade of the Minister for Treasury and Resources regarding the impact of revised forecasts on the draft Budget and the M.T.F.P:**

Hopefully this will be straightforward. Will the Minister inform the Assembly whether the draft 2015 Budget is based on the latest available revenue forecast or whether an updated forecast has been produced and if so whether the requirement in the Public Finances (Jersey) Law 2005 not to go into deficit in the Consolidated Fund at the end of the year will require the draft Budget and the M.T.F.P, approved by the States, to be revised?

**Senator P.F.C. Ozouf (The Minister for Treasury and Resources):**

I have answered a number of these questions. The answer is, yes. I understand what the Finance Law says. The Finance Law says that you cannot allocate money, which means that the Consolidated Fund becomes over committed. Of course, oddly, as Members will know, we still have £100 million current account surplus on the Consolidated Fund because of this very strict rule, so I understand what the rules are. Yes, of course, the Budget takes account of all of these measures. The early budget meant that we have to work very quickly. I am providing an updated schedule in advance of the budget measures which are not for the Assembly's approval but to inform Members of the action we are taking to make sure that the Consolidated Fund balances and I have put another amendment also updating Members of that. So full information, yes, I understand it. There is not an issue as far as I am concerned.

**3.15.1 Deputy J.H. Young:**

Just to clarify. Obviously, the Minister for Treasury and Resources has helpfully told us that we are going to have an updated schedule. Can he tell us, will that schedule revise the figures that we are asked to approve in the Budget? Will it, for example, deal with the things he has mentioned today about proposals to reduce departmental spend, *et cetera*? Is he producing a schedule which will amend what we are asked to approve in 2 weeks' time or is it by way of just supplementary information that perhaps was the case last year?

**Senator P.F.C. Ozouf:**

I have got 2 public meetings and if Members want to come along to the public meetings ... I sent an email last week. If Members want any information to understand exactly what the rules are ... I know the Deputy is a relatively new Member of this Assembly. If he needs to understand exactly what the rules are about, what we are doing; more than happy to come and explain them to make sure that there is no doubt at all that what we are doing is correct. Yes, there will be an updated schedule that will be provided. Hopefully, I am going to provide that on Monday. The important thing is that that schedule is there for Member's information not for approval because what the budget is doing is approving changes in taxes and capital programmes. I welcome these amendments. I might agree with some of them, I might amend some others, we are working on that.

[11:45]

If any other Member wanted to change the policy then they should have put some amendments down. We have got lots of questions about ifs and buts and maybes. I congratulate the Deputy on putting some amendments down because at least he has said: "I do not agree with that, change it." Other Members are just criticising. They do not seem to have alternative plans. I am still listening if there are alternative plans of dealing with these issues.

**3.15.2 Deputy J.A.N. Le Fondré:**

In the context of the question, the effect of the Budget on the Consolidated Fund, which is our current account, is the tightest in living memory and bearing that in mind does the Minister still stand by the amounts for the extra income from the utility companies, which has been included in there? Was that why we have got some extra amendments being lodged in order to keep the Budget legal?

**Senator P.F.C. Ozouf:**

Two questions. First of all the tightest Consolidated Fund. I know the Deputy is an accountant but there is forecasting, there is the Statistics Office and economists. There are economists and there are accountants and we need to take all that advice and make the right decisions for the public. The Deputy is saying the tightest Consolidated Fund balance, quite rightly so. That is what the F.P.P. said. Use all available resources to put money in the economy to secure economic growth. He puts the questions as though it is a criticism. It is not a criticism. It is in line with the F.P.P. information. We do not have revisionism and we cannot be selective in the advice. I listen to the F.P.P. I have issued the comment this morning, backed 100 per cent and said, absolutely right Budget, and last year they told me - they warned me - they said, use all available resources. Do not be constrained from the Consolidated Fund. Use all available balances, and that is what we are doing. That is why I have brought forward D.H.L.F. (Dwelling Houses Loan Fund), all the others and I have been asking the utilities for more money and I will provide an update on those discussions in the next few days.

**The Deputy Bailiff:**

I am sorry to interrupt you in full flow but the 2 hours allowed has now come to an end and we come now to questions to Ministers without notice.

**Deputy J.H. Young:**

Point of order. Does not mean ... did I not get a final supplementary on that under those rules?