

# **STATES OF JERSEY**



## **GENERAL RESERVE: GRANT OF ADDITIONAL FUNDS TO 31ST DECEMBER 2004**

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**Presented to the States on 22nd March 2005  
by the Finance and Economics Committee**

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**STATES GREFFE**

## REPORT

### Background

1. Article 18 of the Public Finances (Jersey) Law 1967, as amended, allows the Finance and Economics Committee to allocate funds from the General Reserve “*where a Committee of the States’ authorised revenue expenditure or any credit for capital expenditure is found to be insufficient to meet the demands made on it, or where a contingency has arisen or will arise which could not reasonably have been foreseen at the time of the submission of estimates under Article 15 of this Law*”
2. The purpose of this report is to notify the States, in accordance with Article 18 of the Law, of any decisions made in respect of the granting of funds from the General Reserve up to 31st December 2004.

### Granting of funds

3. Appendix A (attached) provides a summary of the funds which have been granted from the Reserve from 1st January to 31st December 2004.
4. The balance in the Reserve at the beginning of 2004 was approximately **£25.6 million** made up of the unspent balance brought forward from 2003 of **£20.6 million** and the 2004 Budget allocation for Pay and Pension Contingency of **£5 million**
5. During the year ended 31st December 2004 the Committee agreed to grant funds of approximately **£10.4 million** from the General Reserve, leaving an unspent balance of **£15.2 million**

### Unspent balance

6. **The unspent balance is not indicative of the amount available for the funding of new requests. The Committee is aware of significant probable calls upon the unspent balance of the Reserve to the extent that those calls may well already exceed the balance remaining. The Committee is therefore determined to continue to exercise a high level of financial discipline when considering future requests in order that funding is only granted from the General Reserve for truly urgent and unforeseen requirements.**
7. There has been zero allocation to the ‘unforeseen contingency’ in 2004 and 2005 and current planning provides for no further allocation thereafter.
8. The Committee encourages forward financial planning in the States and is therefore determined that the General Reserve will not be used to circumvent the Fundamental Spending Review process within which future funding demands for revenue and capital expenditure are best determined.
9. The 2005 allocation to the central Pay and Pension Contingency, held within the General Reserve was £12 million. This represents approximately 5 months (January to May) at 2.5% for the June 2004 pay award and 7 months (June to December) at one per cent below RPI, for the June 2005 pay award. If this provision is exceeded, the balance available for unforeseen and urgent expenditure will be reduced.

### Transfer of funds

10. In accordance with Article 18B of the Public Finances (Administration) (Jersey) Law 1967, the Finance and Economics Committee must also advise the States of any transfer of funds between individual Committees’ authorised revenue and capital votes. Accordingly, details of transfers are shown on Appendices B, C and D and are presented to the States for information.

## GRANTS OF FUNDS FROM THE GENERAL RESERVE

The following funds have been granted from the General Reserve by the Finance and Economics Committee and are reported to the States in accordance with Article 18(6) of the Public Finances (Administration) (Jersey) Law 1967

		£
<b>Balance of General Reserve brought forward from 2003</b>		<b>20,589,134</b>
<b>Allocation for 2004 (Pay and Pension provision)</b>		<b><u>5,016,000</u></b>
<b>Balance as at 1st January 2004</b>		<b>25,605,134</b>
<b>Committee</b>	<b>Unforeseen contingency</b>	<b>Revenue</b>
		£
Policy and Resources	Finance Industry Fund	(200,000)
Policy and Resources	Liberation Day 2005	(100,000)
Privileges and Procedures	Committee of Inquiry – Bus tendering process	(78,000)
Privileges and Procedures	States Building maintenance charge	(79,100)
Finance and Economics	States Building maintenance charge	(96,800)
Environment and Public Services	Jersey Meteorological Office 2004	(759,000)
Environment and Public Services	Connex funding	(1,297,999)
Economic Development	Vehicle Registration Duty – agricultural vehicles	(80,250)
Economic Development	School milk	(172,400)
Education, Sport and Culture	Haute Vallée project	(74,239)
Home Affairs	Fire terrorism equipment	(101,000)
Home Affairs	Hire car fees	(95,000)
Home Affairs	Prison funding	(1,700,000)
Housing	Rent abatement and rebate funding	(1,756,183)
		<b><u>(6,589,971)</u></b>
	<b>Pay and Pension Contingency</b>	
All Committees	June 2004 pay awards	(2,219,854)
Privileges and Procedures	Legal Appointments Review	(33,679)
Privileges and Procedures	States Members' pay	(670,179)
Finance and Economics	Legal Appointments Review	(140,268)
Economic Development	VR/VER payments	(156,978)
Home Affairs	VR/VER payments	(84,154)
Public Services	VR/VER payments	(463,833)
		<b>(3,768,945)</b>
<b>Total funds granted as at 31st December 2004</b>		<b><u>(10,358,916)</u></b>
<b>Balance on General Reserve as at 31st December 2004</b>		<b><u><u>15,246,218</u></u></b>

CAPITAL VOTE TRANSFERS

The following Capital vote transfers are reported to the States in accordance with Article 18B(3) of the Public Finances (Administration) (Jersey) Law 1967

		<u>FROM</u>				<u>TO</u>	
COMMITTEE	DEPARTMENT	PROJECT	AMOUNT £	COMMITTEE	DEPARTMENT	PROJECT	AMOUNT £
Finance and Economics	Ne-Departments	Planning Vote	1285,000	Educator, Sport and Culture	Education	See fields CATs	285,000
Finance and Economics	Ne-Departments	Carle Reserve Vote	4,054	Health and Social Services	Health and Social Services	Port Ward	4,054
Finance and Economics	Ne-Departments	Housing Development -ur-	85,000	Environment and Services	Planning	Housing Site redevelopments	85,000
Educator, Sport and Culture	Educator	New 2017 Primary School	655,624	Educator, Sport and Culture	Education	Le Fouquet School Redevelopment	555,624
Educator, Sport and Culture	Educator	New 2017 Primary School	120,077	Educator, Sport and Culture	Education	Catholic Schools Grant	280,577
Environment and Services	Public Services	Beach Grands Facelift Study	5,000				
		Roadside Stabilisation -basic the Sluoy	170,000				
		Streas Building Risk Voluntary	5,000	Finance and Economics	Ne-Departments	Planning Vote	20,000
Home Affairs	Home Affairs	Inter-view Home Conversion	5,185	Home Affairs	Home Affairs	Re-examination of a 5m Property Provisional Personal Protection	4,854
							328
Housing	Housing	Les Sing Ceres	200,000	Housing	Housing	Wesley Street	80,000
Housing	Housing	Le Gey-Filds Phase 4	172,574	Housing	Housing	Elmes Phase 2	79,726
						4th Streets	40,000
						St Peter's School Estate	1,946

VOTE TRANSFERS BETWEEN REVENUE AND CAPITAL

The following vote transfers between Revenue and Capital are reported to the States in accordance with Article 18B(3) of the Public Finances (Administration) (Jersey) Law 1967

		FROM		REVENUE		TO		REVENUE	
COMMITTEE	DEPARTMENT	DESCRIPTION	CAPITAL	AMOUNT	COMMITTEE	DEPARTMENT	DESCRIPTION	CAPITAL	AMOUNT
			£	£				£	£
To year Reserves	Corporate Services	Capacities - LC Elected Officers	Revenue	134,000	Policy and Resource Committee	Corporate Services	Capacities - LC Elected Officers	Capital	134,000
To year Reserves	Various	Various	Revenue	2,140,146	Policy and Resource Committee	Various	Various	Capital	2,140,146
To year Economics	Treasury	CapEx Forecasts	Revenue	198,824	Finance & Economics Committee	States Treasury	Shared Services - LC Equities	Capital	198,824
To year Economics	Judicial Office	LC Funding 2024	Revenue	100,000	Finance & Economics Committee	Judicial Office	LC Funding 2024	Capital	100,000
To year Economics	Treasury	Centre Partying Vote	Capital	2,000	Health Affairs	Various	Various	Capital	2,000
Economic Development	Various	Various	Revenue	157,000	Enterprise and Public Services	Public Services	Various	Capital	157,000
Educator, Sport and Culture	Various	Various	Revenue	388,000	Education Sport and Culture	Various	Various	Capital	388,000
Educator, Sport and Culture	Various	Various	Revenue	140,320	Education Sport and Culture	Various	Various	Capital	140,320
Educator, Sport and Culture	Various	Various	Revenue	150,000	Policy and Resource	Corporate Services	Various	Capital	150,000
Health and Social Services	Various	Various	Revenue	1,557,900	Health and Social Services	Various	Various	Capital	1,557,900
Health and Social Services	Various	Various	Revenue	398,000	Health and Social Services	Various	Various	Capital	398,000

REVENUE VOTE TRANSFERS

The following Revenue vote transfers between Committees are reported to the States in accordance with Article 18B(3) of the Public Finances (Administration) (Jersey) Law 1967

		FROM		TO			
COMMITTEE	DEPARTMENT	DESCRIPTION	AMOUNT £	COMMITTEE	DEPARTMENT	DESCRIPTION	AMOUNT £
Police and Resources	Human Resources	Marpower-Tunford	15,298	Finance and Economics	Direct Treasury	Marpower-Tunford	15,298
Police and Resources	Police and Resources	Fuel Farm	17,600	Economic Development	Economic Development	Fuel Farm	17,600
Finance and Economics	Non-Departmental	OXERA Budget	200,000	Police and Resources	Police and Resources	OXERA Budget	200,000
Finance and Economics	State Grants	POWER	58,000	Police and Resources	State Grants	POWER	58,000
Finance and Economics	Non-Departmental	Cost of Mail from Consultant	17,000	Finance and Economics	Finance and Economics	Cost of Mail from Consultant	17,000
Finance and Economics	State Grants	Corporate Support	116,540	Health and Social Services	Health and Social Services	Medical and Surgical Supplies	116,540
Finance and Economics	Non-Departmental	Grant Jersey Trans Limited	125,000	Economic Development	Economic Development	Grant Jersey Trans Limited	252,000
Finance and Economics	Various	Various	14,477,284	Police and Resources	Various	Various	4,477,284
Finance and Economics	County Area Cases	County Area Cases	17,969	Finance and Economics	County Area Cases	County Area Cases	18,969
Finance and Economics	Various	Various	55,000	Finance and Economics	Office Staff	Employment Agency	55,000
Finance and Economics	Various	Various	25,150	Finance and Economics	Public Services	Community Reg	25,150
Economic Development	Agriculture and Fisheries	MCSR Services - Reallocation	1,531,325	Finance and Economics	Planning and Environment	MCSR Services - Reallocation	1,531,325
Economic Development	Agriculture and Fisheries	MCSR Services - Reallocation	1,531,325	Finance and Economics	Public Services	MCSR Services - Reallocation	1,531,325
Economic Development	Economic Development	OXERA Budget	33,000	Police and Resources	Police and Resources	OXERA Budget	33,000
Economic Development	Various	Various	43,644	Police and Resources	Various	Various	43,644
Education, Sport and Culture	Various	Various	2,281,525	Police and Resources	Various	Various	2,281,525
Education, Sport and Culture	Various	Various	3,357,285	Finance and Economics	Various	Various	3,357,285
Education, Sport and Culture	Various	Various	42,004	Police and Resources	Various	Various	42,004
Education, Sport and Culture	Various	Various	3,502	Police and Resources	Various	Various	3,502