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# STATES OF JERSEY



## **PUBLIC FINANCES (JERSEY) LAW 2005: FINANCIAL PLANNING DISCLOSURES FOR THE 6 MONTH PERIOD ENDED 31ST DECEMBER 2008**

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**Presented to the States on 8th May 2009  
by the Minister for Treasury and Resources**

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**STATES GREFFE**

## REPORT

### 1. The administration of the public finances of Jersey

In accordance with the Public Finances (Jersey) Law 2005 (the “Law”) (including Regulations approved under that Law and Financial Directions) certain matters relating to budgeting and to the financial control and administration of States trading operations are required to be reported to the States twice yearly by the Minister for Treasury and Resources (the “Minister”).

This report summarises decisions made during the 6 month period to 31st December 2008, the majority of which have been previously published.

### 2. Reporting on decisions

The areas of administration which are to be reported on are as follows –

- The use of trading funds by States trading operations;
- Borrowing;
- Lending; and
- Budget transfers.

#### 2.1 Use of trading funds

The following Ministerial Decisions on the use of trading funds were taken to 31st December –

- additional expenditure of £1,610,000 for infrastructure works to support retail development at Jersey Airport (Jersey Airport Trading Fund);
- additional expenditure of £175,700 for the replacement of a Major Foam Tender (MFT) (Jersey Airport Trading Fund);
- additional expenditure of £160,000 for the installation of Multiplexers in order to maintain compatibility with the new digital communication lines (Jersey Airport Trading Fund); and
- additional expenditure of £150,000 in relation to the business case for the transfer of staff to the Transport and Technical Services Department (Jersey Harbours Trading fund).

#### 2.2 Borrowing

##### 2.2.1 Small Firms Loan Guarantee Scheme

During the 6 months to 31st December, a loan of £250,000 was guaranteed by the Treasurer of the States under the Small Firms Loan Guarantee Scheme (SFLGS). Under the terms of the Scheme, the Economic Development Department underwrites up to 75% of the value of a loan. As at 31st December 2008, the total amount loaned under the SFLGS was £641,439, of which £481,079 was guaranteed by the States.

### 2.2.2 Jersey Student Loan Scheme

The Jersey Student Loan Scheme commenced in September 2007. As at 31st December 2008, 238 students had taken out a loan under the Scheme, and the total amount borrowed was £418,555. Terms with the intermediaries require the States of Jersey to underwrite 100% of the value of the loan.

### 2.3 Lending

During the 6 months to 31st December, the States of Jersey loaned the sum of £500,000 to a non-States fee paying school for the construction of a new library. The total repayment of the Capital Sum together with all Interest accrued thereon is due on or before the 1st January 2016.

### 2.4 Budget transfers

Budget transfers are reported on the following basis –

- Transfers between revenue heads of expenditure;
- Transfers between capital heads of expenditure; and
- Transfers between revenue and capital heads of expenditure.

Budget transfers between departments vary the budgets of individual departments but are net nil in total.

#### 2.4.1 Transfers between revenue heads of expenditure

Revenue transfers during the period ended 31st December are shown in Table (1) below.

**Table (1) Transfers between revenue heads of expenditure**

Department		£	Funding of:-
To	From		
Housing	Soc Sec	320,000	Implementation of Income Support
T&R - PHD	P&E	(28,555)	Net property maintenance and rental income budget
ES&C	H&SS	20,508	Home/School Liaison Officers 2007 (1.5 FTE)
ES&C	H&SS	21,287	Home/School Liaison Officers 2008 (1.5 FTE)
Home Affairs	ES&C	46,600	Education Officer Post (1 FTE)
CMD	H&SS	45,979	FNHC PE CRS contributions
Home Affairs	EDD	13,000	Temporary seasonal officer and overtime for permanent officers
Dean of Jersey	States Assembly	1,288	Expenditure in 2008

## 2.4.2 Transfers between capital heads of expenditure

Transfers between existing capital heads of expenditure for the period are shown in Table (2).

**Table (2) Transfers between capital heads of expenditure**

Department		£	
To	From		
T&R – PHD	ES&C	351,488	Transfer from Hautlieu School for the re-development of St. Peter’s School.
T&R – PHD	H&SS	983,000	Transfer from a number of H&SS capital budgets to repay the Central Planning Vote.
T&R – PHD	T&TS	619,000	Transfer from the Solid Waste Strategy vote to repay the Central Planning Vote.
H&SS	H&SS	1,098,326	Transfer of underspends from a number of H&SS capital budgets to A&E/Radiology Extension (Phase II).
T&TS	T&R – PHD	500,000	Transfer the balance of the Town Park budget to T&TS.
ES&C	ES&C	44,366	Transfer from Fort Regent Glazing to fund minor capital works.
T&R – PHD	ES&C	475,000	Transfer from Hautlieu School and Le Rocquier School for the refurbishment of Highlands ‘A’ Block (the Turner Building).
T&R – PHD	T&R – PHD	340,000	Transfer from St. Clement’s School and La Pouquelaye School for the refurbishment of Highlands ‘A’ Block (the Turner Building).
EDD	EDD	1,520	Transfer from BSE Disposal to Compost Processing Equipment.
H&SS	T&R	244,107	Transfer from the Capital Reserve to 3 H&SS projects (Overdale Rehabilitation Unit, Community Dental Clinic, and Belle Vue Nursing Home).
T&TS	T&R	5,701,000	Transfer from the Capital Reserve to T&TS for the Engineering Procurement Construction (EPC) Contract and the Jersey Electricity Company (JEC) Agreement.
T&R – PHD	T&R – PHD	5,579	Transfer from Disabled Access budget to La Moye School.
T&R – PHD	T&R – PHD	78,000	Transfer from St. Clement’s School and D’Auvergne School to Mont à l’Abbé (Phase II).
T&R – PHD	T&R – PHD	125,835	Transfer from the States Building budget to part-fund the Indoor Market (Phase II).
T&R – PHD	T&R – PHD	528,000	Transfer from the Strategic Property Reserve to 2 Youth Service projects (Move On Café, and the Sounds Workshop Centre).

### 2.4.3 Transfers between revenue and capital heads of expenditure

Transfers between revenue and capital during the period to 31st December are shown in Table (3) below.

**Table (3) Transfers between revenue and capital heads of expenditure**

Department		£	
To	From		
T&R - PHD	T&R - PHD (cap)	40,000	Transfer from the Central Planning Vote for the Capital Strategy review by Stradia.
T&R - PHD	T&R - PHD (cap)	250,000	Transfer from the preparation for disposals capital budget to the disposals revenue budget.
T&R - PHD	T&R - PHD (cap)	25,710	Transfer from the Art and Heritage Property capital budget to the revenue budget in respect of maintenance work at St. James Church.
T&R - PHD	T&R - PHD (cap)	328,778	Transfer from the Visioning Fund to support the development of PHD.
T&TS	T&TS (rev)	450,000	Transfer from the Municipal Services revenue budget to La Collette (Phase II).
Home Affairs	T&R (cap)	21,608	Transfer from the Contingency Fund to fund War Council Social Security contributions to 30.6.08.
CMD	T&R (cap)	51,000	Transfer from the Contingency Fund to reimburse additional HCAE expenditure to 30.09.08.
Law Officers' Department	T&R (cap)	479,064	Transfer from the Contingency Fund to reimburse additional HCAE expenditure to 30.09.08.
EDD	T&R (cap)	210,000	Transfer from the Contingency Fund to reimburse additional HCAE expenditure to 30.09.08.
H&SS	T&R (cap)	126,430	Transfer from the Contingency Fund to reimburse additional HCAE expenditure to 30.09.08.
Home Affairs	T&R (cap)	3,646,932	Transfer from the Contingency Fund to reimburse additional HCAE expenditure to 30.09.08.