
STATES OF JERSEY



BUDGET MANAGEMENT REPORT FOR THE 6 MONTH PERIOD TO 30TH JUNE 2009

**Presented to the States on 4th November 2009
by the Minister for Treasury and Resources**

STATES GREFFE

REPORT

1. The administration of the public finances of Jersey

In accordance with the Public Finances (Jersey) Law 2005 (the 'Law') (including Finance 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').

2. Reporting on Ministerial and delegated approvals

The areas of administration which are to be reported on to 30th June 2009 are as follows –

- the use of trading funds by States trading operations;
- borrowing;
- budget transfers; and
- carry forward of revenue balances.

2.1 Use of trading funds

During the 6 month period to 30th June the Minister approved additional expenditure of £250,000 from the Jersey Harbours Trading fund to develop the Harbour Works and Event Shed Project and create a Marine Leisure Business Park in line with the Jersey Harbours ongoing marine leisure growth policy.

2.2 Borrowing

2.2.1 Small Firms Loan Guarantee Scheme

The Treasurer of the States did not guarantee any new loans under the Small Firms Loan Guarantee Scheme (SFLGS) during the period ended 30th June. Under the terms of the Scheme, the Economic Development Department underwrites up to 75% of the value of a loan. As at 30th June 2009, the total amount loaned under the SFLGS was £545,782, of which £409,336 was guaranteed by the States.

2.2.2 Jersey Student Loan Scheme

The Jersey Student Loan Scheme commenced in September 2007. As at 30th June 2009, 269 students had taken out a loan under the Scheme, and the total amount borrowed was £569,830. Terms with the intermediaries require the States of Jersey to underwrite 100% of the value of the loan.

2.3 Budget transfers

Budget transfers are reported on the following basis –

- transfers between revenue heads of expenditure;
- transfers between capital and revenue heads of expenditure; and

- transfers between capital heads of expenditure.

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

2.3.1 Transfers between revenue heads of expenditure

Revenue transfers during the period ended 30th June 2009 are shown in Table (1).

Table (1) Transfers between revenue heads of expenditure

Department		£	Funding of:-
To	From		
P&E	T&R – PHD	29,268	Net property maintenance and rental income budget 2009
Home Affairs	ES&C	63,300	Education Officer 2009 (1 FTE)
Home Affairs	T&R – Itax	42,500	Software support contract
H&SS	E&SS	175,000	Subsidised Product Scheme
CMD	T&R	60,000	Fiscal Policy Panel
Home Affairs	EDD	30,000	Training facility improvements at the Prison
Judicial Greffe	NMSFB	1,108,210	Court and Case Costs
Home Affairs	NMSFB	291,264	Court and Case Costs
Bailiff's Chambers	T&R	3,500	Jurats' fees and expenses
CMD – HR	ES&C	55,092	1 FTE to formalise the HR Business Partnering function
CMD – ISD	Home Affairs	42,000	1 FTE to provide the Prison with IT support
ES&C	EDD	127,140	Part-funding of the Skills Executive 2009
ES&C	Soc Sec	203,250	Part-funding of the Skills Executive 2009
Office of Lt. Governor	T&R	9,333	Balance of the requested 2008 carry forward

*Non-Ministerial States Funded Body (NMSFB)

2.3.2 Transfers between capital and revenue heads of expenditure

Transfers between capital and revenue during the period to 30th June are shown in Table (2) on page 3.

Table (2) Transfers between capital and revenue heads of expenditure

Department		£	
To	From		
T&R – PHD	T&R (cap)	500,000	Transfer from the Central Planning Vote in relation to the development of the former JCG site
T&R – PHD	T&R – PHD (rev)	238,294	Transfer of the Indoor Market surplus for 2008 for Phase 2 of the Indoor Market Refurbishment works
EDD	EDD (cap)	270,000	Transfer from the Economic Growth Plan to fund the supplementary grant to Jersey Finance Ltd for 2008
CMD	CMD (cap)	281,000	Transfer from the HR Transformation Fund to reimburse States HR training and development-related budgets

CMD	T&R (cap)	32,087	Transfer from the Contingency Fund to reimburse additional actual HCAE expenditure to 31.12.08
Law Officers' Department	T&R (cap)	447,389	Transfer from the Contingency Fund to reimburse additional actual HCAE expenditure to 31.12.08
T&R – PHD	T&R (cap)	96,927	Transfer from the Contingency Fund to reimburse additional actual HCAE expenditure to 31.12.08
H&SS	T&R (cap)	117,000	Transfer from the Contingency Fund to reimburse additional actual HCAE expenditure to 31.12.08
Home Affairs	T&R (cap)	875,067	Transfer from the Contingency Fund to reimburse additional actual HCAE expenditure to 31.12.08
H&SS	T&R (cap)	54,100	Transfer from the Contingency Fund to reimburse expenditure on preparing for a potential Flu Pandemic
ES&C	ES&C (rev)	310,000	Transfer to fund ICT Strategy Phase 2
ES&C	T&R (cap)	311,573	Transfer from the WEB Leisure Pool capital budget to fund the Waterfront Pool 2008
CMD	T&R (rev)	47,000	Repayment to the Organisational Development Fund in respect of the Central States Procurement Team
CMD	CMD (cap)	3,638,630	Transfer to align budgeting and accounting treatment*
Probation	Judicial Greffe (cap)	60,000	Transfer from the Magistrate's Court to Probation and Aftercare for 2009
H&SS	H&SS (cap)	3,044,619	Transfer to align budgeting and accounting treatment*
T&R – PHD	T&R – PHD (cap)	375,437	Transfer to align budgeting and accounting treatment*
T&R – Itax	T&R – Itax (cap)	20,000	Transfer to align budgeting and accounting treatment*
EDD	EDD (cap)	1,019,566	Transfer to align budgeting and accounting treatment*
T&TS	T&TS (cap)	882,845	Transfer to align budgeting and accounting treatment*
P&E	P&E (cap)	416,737	Transfer to align budgeting and accounting treatment*
Home Affairs	Home Affairs (rev)	87,000	Transfer to align budgeting and accounting treatment*
Housing	Housing (cap)	1,967,000	Transfer to align budgeting and accounting treatment*
CMD	CMD (cap)	4,755,910	Transfer to align budgeting and accounting treatment*
T&R	T&R (cap)	38,200	Transfer to align budgeting and accounting treatment*
ES&C	ES&C (rev)	20,000	Transfer to align budgeting and accounting treatment*
P&E	T&R (cap)	580,000	Transfer from the Contingency Fund to settle a compensation payment

* These budget transfers are required as a result of implementing Generally Accepted Accounting Principles (GAAP) in 2009 and do not change the total net expenditure approved by the States.

2.3.3 Transfers between capital heads of expenditure

Transfers between existing capital heads of expenditure to 30th June are shown in Table (3) below.

Table (3) Transfers between capital heads of expenditure

Department		£	
To	From		
P&E	P&E	85,000	Transfer from various P&E Capital budgets to part-fund the Island Plan Review
P&E	T&R – PHD	265,000	Transfer from the Central Planning Vote to part-fund the Island Plan Review
H&SS	H&SS	963,563	Consolidation of Minor Capital Projects to equipment and IT projects
NMSFB	NMSFB	3,530	Transfer from the Magistrates' Court Capital budget for cell improvement and the Jersey Legal Information Board
H&SS	T&R – PHD	82,000	Transfer from the Central Planning Vote to the Oncology Unit to fund a feasibility study
Housing	Housing	500,000	Transfer from the Housing Rolling Vote to fund the demolition of Ann Court

2.4 Carry forwards

Total 2008 Year End Carry Forwards of £5,448,880 were approved by the Minister (MD-TR-2009-0061), following discussions with the Council of Ministers (Table (4) below refers).

Table (4) Carry forwards

Department	£
Chief Minister	1,020,000
EDD	852,318
ES&C	1,725,446
H&SS	22,495
Home Affairs	2,560
Soc Sec	340,000
T&TS	208,180
T&R	928,764
Probation	8,984
Bailiff's Chambers	10,117
Law Officers'	52,721
Judicial Greffe	36,350
Lieut. Governor	7,266
Data Protection	19,786
Overseas Aid	24,959
Comptroller & Auditor General	175,000
Viscounts	13,934
Total	<u>£5,448,880</u>