
STATES OF JERSEY



FINANCE LAW DELEGATION REPORT FOR THE SIX-MONTH PERIOD TO 31ST DECEMBER 2021

Presented to the States on 22nd February 2022
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 2019 \(“the Law”\)](#) certain matters are required to be reported to the States Assembly twice yearly by the Minister for Treasury and Resources (“the Minister”).

This report summarises all decisions made during the six month period to 31st December 2021. Where decisions have not previously been published, this is due to one of two reasons -

- The decisions were exempted under the Freedom of Information (Jersey) Law 2011; or
- The decisions were taken by the Treasurer of the States under delegated authority from the Minister.

2. Reporting on decisions

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

- (a) each function undertaken, within the applicable 6-month period under any of Articles 18 to 21, 24 and 26 to 28; and
- (b) each direction given, within the applicable 6-month period by the Minister under Article 15(3) with respect to the amounts appropriated for a reserve head of expenditure.

Article 18 relates to transfers between heads of expenditure.

Article 19 relates to transfers to the following year’s reserve.

Article 20 relates to transfers of major project amounts to the following year.

Article 21 relates to the power to allocate excess income.

Article 24 relates to emergency expenditure.

Article 26 relates to financing (borrowing).

Article 27 relates to loans.

Article 28 relates to guarantees and indemnities.

There were no approvals in the period under Articles 19, 20 or 24. Other approvals are detailed below.

2.1. Transfers between heads of expenditure under Article 18.

Department		£	Purpose
From	To		
HCS	CLS	1,767,019	Transfer of commissioning budget. (MD-TR-2021-0082)
HCS	T&E	1,500,000	Transfer of budget for Medical Malpractice (MedMal) insurance. (MD-TR-2021-0094)
Foul Sewer Extensions	Replacement Assets	up to 750,000	To ensure that key services are maintained. (MD-TR-2021-0107)
COO	Taxes Office System Renewal	up to 1,140,000	Transfer of budget for the Revenue Management System to ensure

			correct allocation to the project. (MD-TR-2021-0110)
COO	T&E	6,032,702	Transfer of Commercial Services budget. (MD-TR-2021-0114)
SPPP	HCS	519,000	To situate programme resources in the right department and ensure objectives of the Analytics Transformation Programme are achieved. (MD-TR-2021-0128)
Various heads of expenditure	General Reserve	577,000	Transfer of budgets to deliver the 2021 'Fees and Charges' target as part of the Rebalancing Programme. (MD-TR-2021-0134)
Judicial Greffe	Bailiff's Chambers	up to 150,000	To address an overspend in the Court and Case Cost budget. (MD-TR-2021-0143)

2.2. Approvals of the allocation of excess income under Article 21

Department	Amount £	Purpose
T&E	136,499	Return of funding held by Lacey's Advocates for the Historic Abuse Redress Scheme, which is now not required. To remain within consolidated fund at end of 2021. (MD-TR-2021-0088)
T&E	up to 1,232,362	Recovery of the temporary payment to secondary layer insurers in 2020. To be used to fund any increased insurance premiums in 2021. (MD-TR-2021-0118)
JHA	up to 450,000	Overachievement of income budgets within Customs and Immigration. To be used to meet a rebalancing target originally to be delivered from the sale of the domestic dwelling near the Western Fire Station. (MD-TR-2021-0148)

2.3. Approvals of financing (borrowing) under Article 26

During the six months to 31st December 2021 the Minister signed 3 decisions relation to use of the Revolving Credit Facility:

- MD-TR-2021-0083 approving a utilisation cap of £110 million to 30th September 2021
- MD-TR-2021-0135 approving a revised utilisation cap of £96 million to 31st December 2021
- MD-TR-2021-0142 approving a utilisation of £19,806,389 to fund grant awards from the Fiscal Stimulus Fund

The Treasurer of the States was authorised to complete drawdown requests as required. At 31st December 2021 the Treasurer had approved two utilisation requests totalling £40,806,369.

The total drawdowns from the Revolving Credit facility as at year end 31st December 2021 equate to £85,806,369, leaving £414,193,631 undrawn.

2.4. Approvals of loans under Article 27 (as amended by P.28/2020)

2.4.1. Housing Development Fund

During the six month period to 31st December 2021, no new loans were approved by the Minister for Treasury and Resources.

The net value of loans outstanding from the Housing Development Fund increased from £223,369,108 at 30th June 2021 to £228,825,082* as of the 31 December 2021.

*This includes £3.1m paid to Andium on the 31 December 2021, but only formally drawn down on 1st January 2022.

Loans from the HDF were split between the following loan holders:

Andium £227,615,776

Le Vaux Housing Trust £1,209,306

Total loans £228,825,082

2.4.2. Other loans

On 30th June 2020 the Minister had approved MD-TR-2020-0081 which agreed a secured loan facility of £10 million to Blue Islands Limited. Under delegation from the Minister, the Treasurer had approved the drawdowns from this amount of £5 million (on 13th July 2020) and a further £2 million (on 14th September 2020). On 23rd April 2021 the Treasurer approved a further drawdown of £1.5 million. There have been no further drawdowns since that date.

2.5. Approvals of guarantees under Article 28 (as amended by P.28/2020)

2.5.1. Jersey student loan scheme

During the six month period to 31st December 2021, no new loans were guaranteed by the States under the Jersey Student Loan Scheme.

P53/2007 Student Loans for higher education – guarantees was debated by the States Assembly on the 6th June 2007 and a maximum outstanding limit of £10 million for an unlimited time period was approved.

2.5.2. Disruption Loan Guarantee Scheme

On 30th June 2021, the Minister signed MD-TR-2021-0081 to extend the period that the scheme is open to new applications to 30th September 2021. This window was then further extended to 31st December 2021 by MD-TR-2021-0115.

The application window was not extended beyond 31st December 2021 and therefore no new facilities can be granted after this date. As at 31st December 2021, 169 enquiries had been made to banks, of which 70 had progressed and a facility issued. Whilst £4.3 million of facilities had at one stage or another been approved, by 31st December 19 facilities had closed resulting 51 facilities remaining active with an approved total facility value of £3.4 million.

The scheme guarantees 80% of the facility capital value, plus accrued interest. Consequently, the guaranteed capital value exposure at 31st December 2021 was £2.7 million.

To date, there is one confirmed default and a claim has been made in this regard for the amount of £28,000. The payment in relation to this claim has been approved by way of MD-TR-2021-0144 and payment was being completed at the time of preparation of this report.

2.6. Allocations from the Reserve under Article 15(3)

Department		£	Purpose
From	To		
General Reserve (Covid)	Covid-19 Response	up to 14,883,662	To cover costs of Covid helpline, Covid operational costs, Covid service recovery and Test and Tracing programme and technology. (MD-TR-2021-0084)
General Reserve (Brexit)	IHE	up to 1,440,000	To cover costs of biosecurity border controls and future fisheries and marine resources management. (MD-TR-2021-0084)
General Reserve (DEL)	IHE	up to 328,450	To cover costs of biosecurity border controls and future fisheries and marine resources management. (MD-TR-2021-0084)
General Reserve	T&E	up to 510,000	To cover costs of increases to the PECRS Pre-87 debt. (MD-TR-2021-0087)
General Reserve	T&E	up to 848,501	To cover costs of increases to insurance premiums. (MD-TR-2021-0088)
General Reserve (Covid-19)	Covid-19 Response	up to 3,600,000	To cover additional costs of Co-Funded Payroll Scheme (CFPS) Phase 6. (MD-TR-2021-0092)
General Reserve	HCS	up to 2,750,000	To cover the costs of an out of court settlement. (MD-TR-2021-0093)
General Reserve - Restructuring	COO	up to 915,000	For the Total Reward Review – VR scheme. (MD-TR-2021-0096)
Reserve for Centrally Held Items	HCS CYPES	up to 594,000 up to 4,400	To cover the costs associated with the 2021 Pay Award in respect of the Nurses and Midwives pay group. (MD-TR-2021-0113)

Reserve for Centrally Held Items	various heads of expenditure	up to 794,300	To cover the costs associated with the effect of the 2020 pay award (2020 back pay) in respect of the Senior Leaders, Doctors and Consultants pay groups. (MD-TR-2021-0130)
Central Planning Reserve	IHE	up to 300,000	For pre-feasibility work for Greenfields and Inspiring Active Places. (MD-TR-2021-0132)
General Reserve (DEL)	various heads of expenditure	up to 3,005,000	Funding for initiatives in the Government Plan 2022-2025. (MD-TR-2021-0133)
General Reserve	FSDEE	up to 3,512,192	To finalise the purchase of the Le Câtillon II Hoard and to establish a trust to finance scientific and research opportunities presented by the Hoard. (MD-TR-2021-0145)
General Reserve (DEL)	Judicial Greffe	up to 266,000	To enable the relocation and running costs of the Family Court. (MD-TR-2021-0147)
General Reserve (DEL)	IHE	up to 978,100	To meet unforeseen costs – premises expenses, energy recycling facility and hazardous waste. (MD-TR-2021-0148)
General Reserve (Covid)	Covid-19 Response	up to 6,791,000	To meet additional Covid-related costs. (MD-TR-2021-0149)
General Reserve (Covid)	Covid-19 Response	up to 380,000	To fund the provision and supply of PPE consumed in 2021. (MD-TR-2021-0150)

Abbreviations

CLS	Customer and Local Services
COO	Chief Operating Office
CYPES	Children, Young People, Education and Skills
FSDEE	Financial Services, Digital Economy and Economy
IHE	Infrastructure, Housing and Environment
HCS	Health and Community Services
OCE	Office of the Chief Executive
SPPP	Strategic Policy, Performance and Planning
T&E	Treasury and Exchequer

Minister for Treasury and Resources

February 2022