



Government Plan Covid-19 Recovery Planning Response Corporate Services Scrutiny Panel

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Executive Summary

- 1.1 In August 2020, the States of Jersey commissioned CIPFA Business - Finance Advisory (the commercial arm of the Chartered Institute of Public Finance and Accountancy) to support the work of the Corporate Services Scrutiny Panel (CSSP) in the Review of the Jersey Government's Covid-19 Response and Recovery approach. This report seeks to support the Panel's work by commenting upon the latest draft version of the Government Plan 2021-24 and Financial Annex as well as the associated Proposition in accordance with Article 9(1) of the Public Finance (Jersey) Law 2019.
- 1.2 The revised Government Plan 2021-2024 endeavours to incorporate a 'best estimate' position of the impact of Covid-19 within the island's strategic financial strategy. The focus appears to be less of a recovery plan than anticipated and more of accommodating impacts within an iteration on the original direction of travel set out within the 2020-2023 Government Plan. At the outset of the Covid-19 lockdown arrangements we were impressed by the agility of the States of Jersey in allocating resources from central reserves through the Consolidated Fund directly to front line services to cover the immediate costs associated with the effects of COVID-19. This level of responsiveness was delivered at a time when it was predicted that *"public revenues in 2020 would be £106 million below their autumn 2019 forecasts, and that revenues will remain below the previous forecasts for the whole of the next Government Plan period and are likely give rise to a structural imbalance in public finances"*.¹ The Halt, Defer and Reduce approach taken by Departments to "stop and not start, defer and change"²(highlighted in April 2020) exemplified an emerging financial strategy that provided much needed agility in redirected cash towards front line support. The revised Government Plan 2021-2024 appears to have restored previously scheduled improvement aspirations, moving on from the immediacy of challenges presented by front line supporting demands. This is counter to what we are increasingly seeing in the UK with organisations steadily moving away from improvement related investment towards the financing of core services as a consequence of demand led pressures driving a return towards meeting basic primary legislative service obligations.
- 1.3 The financial modelling within the Government Plan retains robust integration and coverage. Its strengths include the clarity and transparency it provides over the core public services within Jersey as a micro-state and the way expenditure is planned to readily match available source funding. Given the complexity and range of disparate public service activities this is type of framework is not, within our experience, common amongst public service provider organisations. Whilst the Government Plan 2020-2024 still provides a highly integrated strategic financial model that should allow some high level agility, we have concerns around the validity or strength of core assumptions that underpin key areas within the financial modelling. These key areas include:

¹Economic Recovery In-Committee Debate - 29th May 2020 – Page 2

² Covid-19 – Treasury and Exchequer – 24 April 2020 – slide12

- Borrowing Strategy and Reserves
- Personal Income Tax
- Social Security Contributions
- Efficiencies and rebalancing
- New Projects
- Returning to balance

Borrowing Strategy and Reserves

- 1.4 A borrowing strategy has been formulated to help finance the costs of Covid – 19 costs which is estimated to exceed £400 million in addition to infrastructure investment including 'Our Hospital'. Provisional estimates on the latter may exceed £500 million. This strategy includes for borrowing up to £406 million to 2022 by administered through a Revolving Credit Facility which will in itself cost approximately £27.4million to facilitate. It is proposed that this external borrowing be financed through the issuance of a Bond and a component of the strategy is to broadly maintain current level of reserves approximating at some £3 billion. A cumulative external borrowing requirement of some £444 million has been established to 2024. The current resistance to using reserves to fund emergency Covid-19 spend appears to be founded on the principles that it would be better to externally borrow than liquidate investments based on the core assumptions that borrowing costs have been at historical lows and that the existing investments will make positive returns over the medium term. That said, there has been no opinion evidence offered that substantiates this level of confidence in the performance of market investments. This strategy would appear to be logical within a steady state economic horizon. However, steady state is not currently within contemplation with expected economic cycles and financial markets being significantly distorted the current Covid-19 global pandemic.
- 1.5 In order to finance the levels of debt envisaged, in terms of external debt repayments, the Plan proposes to establish a 'sinking fund' created with the transitional tax debt created within arrangements transitioning tax payers from Prior Year Basis (PYB) to Current Year Basis (CYB) assessment with such transitional arrangement payments becoming a source of external debt repayment over the long term. Given the regressive nature of the value of money over time, it is difficult to ascertain what level of 'sinking fund' would need to be established and how this would keep pace with the external financing costs some 15/20 years further down the timeline. We would be of the view that this proposition to finance external borrowing costs by way of a sinking fund financed from the PYB transition is speculative at best. Given the significance of this departure from the standard financial strategy deployed by the States of Jersey, the balancing of existing reserves and the augmentation of external debt finance should be highly considered and not be a reaction type response. Financing external debt repayments will be a first call on income generating capability and it is critical that Income Tax estimates are seen to be robust before the affordability of funding requirements is properly assessed.

Personal Income Tax

- 1.6 Personal Income Tax accounts for some 60.3% of overall general revenue income whilst Corporate Tax some 16.7%. Income Tax forecasts are critical to the robustness of the overall financial modelling and critical decisions on affordability at a macro level are founded upon the ability of Jersey Taxpayers to fund planned public service expenditure. As Personal Income Tax estimates used within the annual accounts and the Government Plan are now largely based on economic forecasts rather than real time assessment or sensitivity analysis around actual tax yield, we believe that there is significant risks around the relative accuracy associated within these forecasts. The External Auditor raised this precise point in relation to the 2019 Annual Accounts as a key audit issue.
- 1.7 The Income Forecasting Group (IFG) is a key contributor in the formulation of Income Tax forecasts and is informed by the Economic updates provided by the island's Fiscal Policy Panel (FPP). Whilst the IFG acknowledges the severe economic disruption arising from Covid-19, it does not propose to adopt its own 'downside' forecast which was calculated as a "£50 million decrease from the base forecast for spring 2020 and £54 million less than the base case for 2024 which reflected *"the assumption of more significant structural impacts arising from the Covid-19 pandemic."*³
- 1.8 Using central scenario based assumptions, the revised year on year Income Tax increases look extremely optimistic growing from 2020 to 2024 by some 27.3% or £127m. To move from a pre-covid position of £585m in 2019 to a 2024 position of £671m of £86m or 14.7% is also considered to be highly optimistic in the context of the unprecedented nature of the pandemic and the high level of downside risks associated with the UK position on a no-deal Brexit. Given that the Fiscal Policy Panel has recently predicted a severe recession in 2020, this expected growth profile appears to be aspirational and it may have been more prudent to use the IFG's 'downside scenario'. Using this lower ranged Income Tax forecasts would widen the gap between expenditure and income accordingly within the Government Plan modeling.

Social Security Contributions

- 1.9 The revised Government Plan outlines a significant fiscal policy change with the redirection of standard Social Security contributions away from the usual destination of the Social Security Fund and redirected to Covid-19 activities. The Plan does not include any impact study on the central scenario implications on the viability of this policy change or future social security funding for islander beneficiaries in relation to potential changes in demand/demographic management. The Plan highlights that the net impact reduces the funding capability by approximately one year but does not elaborate on sustainability issues relating to Social Security Funds. It would seem more prudent to retain the equivalent £65.3m than weaken the existing Fund, particularly when the plan is to divert some £235m covering 2021, 2022 and 2023.

³ Income Forecasting Group - Report on the revised forecast of States income for autumn 2020 – P15

Efficiencies and rebalancing

- 1.10 The Plan advises that central to rebalancing budgets over the period to 2024 is the delivery of the package of efficiencies totaling some £20m targets for 2021, in addition to a £100m target or annual recurring savings per annum by 2023. The change towards a rebalancing narrative suggests a tacit acceptance that the required quantum of efficiency savings are no longer achievable. Additionally, the extent to which efficiencies are to be delivered from deferred growth does not provide confidence that efficiencies were actual management interventions specifically capable of being efficiency savings in nature. We are advised that the efficiency targets have already been taken off Department Budgets in a way that suggests a 'salami sliced' approach. It is likely that Managers will be primarily controlling the pace of spend rather than addressing the fundamentals on direct management intervention through service redesign. Direct management intervention of stopping or slowing activity is not related to the delivery of more efficient services. Within the updated plan the allocation of efficiency savings totaling some £20.13m is scheduled for delivery in 2021.
- 1.11 In the absence of defined programmes, we do not recognise a 'salami sliced' approach as meeting good practice and failure to meet a revised expenditure/income target on such efficiency savings may have negative implications on the ability of Departments to meet standard operational service delivery if bottom line budgets are to be contained. There is little evidence that collectively the schedule of efficiencies has been based on a strict value for money (VfM) approach, rather such changes, including planned changes, have been driven by the acute demand for the realisation of cashable savings to bridge the budget setting gap - containing a base budget requirement for significant savings irrespective of the impact on service. The larger components of the scheduled 2021 savings appear to be highly aspirational. For example, the £5m to be released from a zero based budget review at HCS, the release of funds from GHE in respect of the hospital maintenance programme of £4million, managing inflationary pressures around Government generating savings of £3.7million and £0.9 million associated with OneGov Modernisation Programme. In context, these broad estimates do not appear to be realistic and we have yet to see evidence that demonstrates that a high level of assurance can be obtained that shows that recurring 'cashable' savings can be sustained from these initiatives:
- 1.12 Within the Government Plan there is a recognition that both core activities and efficiencies need to be adjusted to reduce expenditure and maximize income to rebalance the financial model. In this endeavor the role of efficiencies becomes less prominent. Whilst this rebalancing approach may appear to be nebulous, without any clear change efficiency savings and Modernising Government investments, it does signal that the Government of Jersey is open to reworking underperforming or undeliverable efficiency savings. This is going to be more important where the focus is moved from more non-critical improvement investments and efficiency improvements back to protecting critical core service delivery although a stated policy on external borrowing may dilute the rigour applied to the pursuance of efficiency savings should the affordability of non-delivery becomes accepted.

Modernising Government

- 1.13 Embedded within the Plan includes projects within a Modernising Government category accounting for a spend in excess of £127 million to be delivered by 2024: Within this grouping are a number of disparate projects. It is not clear how the current Pandemic will affect the pace of implementation or the more significant structural and process change.
- 1.14 Securing improvements in Domestic Tax Compliance delivered with an investment of £6.077 million appears to be a 'spend to raise' investment. Within the £20.013million efficiencies schedule there is additional increases tax revenues through the continued enhancement of domestic tax compliance valued at £1.250 million. This value, in itself appears to be inconsistent with expected beneficial improvements in tax yield as a result of acquiring improved compliance. We also think there should be improved clarity on the expected payback for this £6.077 million investment and how this is aligned to the additional £6.141 million allocated for the Revenue Jersey Team in respect of how both investments totalling some £12.218 million are designed to drive higher tax yields.
- 1.15 The common theme across the projects categorized as Modernising Government is an acute lack of detail on the related business cases, from proof of concept through to the engagement, implementation and management of such changes. We suspect that the quantifiable payback across most of these projects are speculative at this stage.

Returning to Balance

- 1.16 Notwithstanding a forecasted deficit of some £282 million in 2020 (this year), deficits are forecasted through 2021 and 2022 as £178.1 million and £49.6 million respectively with a surplus position returning in 2023. These bottom line positions are contingent upon all of the core assumptions within the financial modeling being delivered. Such is the element of volatility around forecasted income and elements of expenditure arising from the impact of the Pandemic on planned activities that possibly material deviations from the core assumptions outlined within the revised plan may require additional changes (and agility) around tax and spend decisions.
- 1.17 During our review we have expressed some concerns about the strength of the assumptions underpinning key tax and spend assumptions. Due to the high level of integration within the financial modelling, the sensitivity to marginal changes to income and expenditure may produce significant shifts in bottom line deficits through the 'gearing effect'. During the course of the plan, key assumptions around a number of critical income and expenditure components may need to be revisited and this may materially change the overall bottom line position on future deficits. Given the current unprecedented level of uncertainty we would recommend that the Government Plan 2021-2024 is updated every six months and recalibrated for pressures and opportunities as they emerge.

Concluding Comments

- 1.18 We concluded that for the 2020-2023 Government Plan, foundational budgets and investment allocations appear to be more aspirational than being formulated on detailed stress tested business case change plans. Whilst we fully appreciate that the changing focus on Covid-19 has brought different priorities, previously identified issues continue to

be prevalent and may even be amplified within the 2021-2024 Plan. This includes a continuing level of optimism bias across personal tax income, lack of detail behind the ability to deliver efficiency savings and around service change investment. It may well be that these issues have been exacerbated by the management challenges posed by the pandemic. If so, the reliability of the Government Plan 2021-2024 may be impaired and it is important that the States of Jersey address issues on weaknesses within the Government Plan primarily relating to transparency, detail and reliability.

- 1.19 The initial response to the pandemic, in strategic financial management terms was deemed to have been extremely positive and to be highly commended. The Halt, Defer and Reduce approach was initially successful however the 2021-2024 Government Plan appears to have reinstated the focus on improvement rather than dealing with a significant structural economic shock which may require a more basic approach in the achievement of an equilibrium balance between income and expenditure. Whilst the model projects significant deficits across 2020 to 2022 the high level of integration within the financial modelling requires the core assumptions over key elements of income and expenditure to be fully delivered. Our overall concern would be that given that we believe that some of the key assumptions within the Plan to be over optimistic, in reality the bottom line deficits may be higher and potentially extend across the years covered by the Plan. Another key concern is the creation of a borrowing policy that establishes an acceptance of gap fund borrowing (including a cumulative external borrowing of some £444 million to 2024) and is designed to extend repayment into the longer term. Behaviorally this has the potential to erode or weaken the rigour and challenge that would normally exist around difficult and politically challenging overall tax and spend decisions. Some commentators would say that such an approach displaces the burden to future generations of tax payers although the establishment of a sinking fund is designed to stop that from happening. What makes the planned level of borrowing more problematic is that we do not think that total external borrowing will be able to be linked to the creation of equivalent level of assets and that some of the expenditure effectively covers non-recurring revenue related consumption based expenditure.
- 1.20 In summary, the 2021-2024 Government Plan sets out a financial strategy which seeks to restore stability in the face of an unprecedented global economic event (outwith the conflict of war) as well as accommodating pre-covid plans for transformational change through Modernising Government in addition to providing the finance to deliver the most significant infrastructure project in the history of the public service in Jersey—Our Hospital. As currently constituted, the plan is adaptable and covers the key areas of financial stability. However, if the plan is to properly inform tax and spend decisions then it needs to reflect core assumptions that are robust and founded upon stress tested workings rather than been generated by politically driven outcomes. In this regard the Government of Jersey has much more to do.
- 1.21 Finally we would wish to take this opportunity to record our sincere gratitude to Members of the States Assembly and Civil Service at the Government of Jersey for the provision of extremely valuable support in the course of our work.

Introduction

Context

- 2.1 In August 2020, the States of Jersey commissioned CIPFA Business - Finance Advisory (the commercial arm of the Chartered Institute of Public Finance and Accountancy) to support the work of the Corporate Services Scrutiny Panel (CSSP) in the Review of the Jersey Government's Covid-19 Response and Recovery approach. This report seeks to support the Panel's work by commenting upon the latest draft version of the Government Plan 2021-24 and Financial Annex as well as the associated Proposition in accordance with Article 9(1) of the Public Finance (Jersey) Law 2019.

Evidence

- 2.2 Given pandemic related constraints our approach was focus mainly through a desk top review of available evidence. Sources of evidence are outlined in more detail in Appendix but include:-
- Document Review – Government Plan submission and supporting documents
 - Attendance at Scrutiny Panel Meeting
 - Reports received from Treasury & Exchequer
 - Meeting with Richard Bell – Director General and Treasurer to the States of Jersey
 - CIPFAStats data

The Government Plan 2021-2024

- 2.3 The Government Plan 2021-2024 (being an iteration on the 2020-2023 plan architecture) sets out a high level operational and fiscal strategy and the proposition in receiving this plan requires the approval of the appropriations from the Consolidated Fund, the movement between other funds and reserves, the appropriate income raising (income tax and impots) and the appropriate parameters around income and expenditure estimates.

Financial modelling

- 2.4 The overall modelling on financial forecasts is back at page 110 within the Plan with the following:

"...Ministers have articulated a plan to return to balanced budgets by 2024, whilst maintaining investment and spend, thereby assisting the economy. This plan also preserves the Strategic Reserve to maintain resilience against potential future shocks

to the economy and instead proposes borrowing to meet the impacts of Covid-19 on our finances and laying out a plan for the repayment of that debt.”

Beyond the obvious 2020 deficit position the table below shows a surplus position being reinstated by 2023 - all subject to all of the core assumptions within the plan being delivered:⁴

	2021	2022	2023	2024
	(£000)	(£000)	(£000)	(£000)
General Revenue Income	806,515	863,318	915,724	966,081
Net departmental expenditure	(929,967)	(857,355)	(843,010)	(892,956)
Depreciation	(54,646)	(56,699)	(58,838)	(59,275)
Forecast (deficit) / surplus	(178,098)	(50,736)	13,876	13,851

2.5 The revised bottom line deficits and surpluses are contingent upon the following income forecasts will be delivered⁵:

	2021	2022	2023	2024
	£'000	£'000	£'000	£'000
General Revenue Income				
Income Tax	552,000	597,000	639,000	671,000
Goods and Services Tax	84,610	90,910	94,510	98,310
Impots Duty	67,986	69,979	71,037	71,485
Stamp Duty	30,953	30,249	31,118	32,023
Island Wide Rate	13,486	13,809	14,155	14,523
Other Income (Dividends)	8,133	8,568	8,918	9,347
Other Income (Non-Dividends)	5,473	5,784	7,967	7,949
Other Income (Return from Andium)	31,774	32,618	33,520	34,445
Central Scenario	794,415	848,918	900,224	939,081
Domestic Compliance	8,600	10,900	12,000	13,500
Additional Tax measures	0	0	0	10,000

⁴ Government Plan 2021-2024 -- Extract from Table 3 – Overall Position (Financial Forecasts) – Page 110

⁵ Government Plan 2021-2024 Annex -- Extract from Table 2 – Financial Forecasts) – Page 6

Additional ISE Fees	3,500	3,500	3,500	3,500
General Revenue Income	806,515	863,318	915,724	966,081
Departmental Expenditure				
Departmental Net Revenue Expenditure*	(866,075)	(832,609)	(835,573)	(886,374)
Total Reserves	(64,842)	(44,405)	(45,996)	(63,641)
Rebalancing expenditure	950	19,659	38,559	57,059
Departmental expenditure	(929,967)	(857,355)	(843,010)	(892,956)
Forecast operating Surplus / (Deficit)	(123,452)	5,963	72,714	73,125
Depreciation	(54,646)	(56,699)	(58,838)	(59,275)
Total Surplus/Deficit	(178,098)	(50,736)	13,876	13,850

2.6 The latest update reveals that:

- That an overall deficit of some £282m is likely for 2020 (this year) - £178m in 2021
- Income is now £96m lower (previously £107m) with incomes set to be some £395m lower than approved within the 2020-23 Government Plan
- Covid related expenditure is likely to be approximately in excess of £400m – previously reported approximately £255m with approximately £250m additional in this year alone 2020

2.7 Inherent within the financial modelling is the position of the Consolidated Fund – which is effectively the ‘current account’ for all Government operations. The opening balance has been used to finance short term Covid-19 costs and the integrated nature of the revised financial strategy channels all of the assumptions on each component of the Proposition through it with a zero balance being delivered at the end of year⁶:

⁶ Government Plan 2021-2024 -- Extract from Table 28 – Consolidated Fund – Page 163

	2021 (£000)	2022 (£000)	2023 (£000)	2024 (£000)
Opening balance	228,914	0	0	(0)
Adjustment in respect of Personal Taxation Accrual	(318,342)			
Opening Balance restated on a cash basis	(89,428)	0	0	(0)
General revenues income	806,515	863,318	915,724	966,081
Departmental expenditure	(929,967)	(857,055)	(843,010)	(892,956)
Forecast Operating Surplus/(Deficit)	(123,452)	5,963	72,714	73,125
Major projects				
Capital Programme	(117,373)	(98,125)	(81,724)	(74,142)
Transfers				
HIF to Consolidated Fund Revenue	11,300	13,000	12,160	7,825
Charitable Funds to Consolidated Fund	1,044	989		
Loans Funds to Consolidated Fund	0	5,700	0	0
Criminal Offences Confiscation Fund to Consolidated Fund	1,956	1,609	2,396	0
Consolidated Fund Float				
Consolidated Fund Working Balance	(20,000)			
Net movement in borrowing required	335,953	70,864	(5,547)	(6,808)
Closing balance	0	0	(0)	0

Government Plan 2021-2024

3.1 We had initially thought that the amended Government Plan would take the form a Covid-19 Recovery Response Plan, however, the revised Plan appears to be an iteration of the Plan that had been formulated pre-Covid-19 with Covid-19 impacts embedded where necessary. Our comments from our review of the revised Government Plan focus on the five areas outlined below:

- Borrowing Strategy and Reserves
- Personal Income Tax
- Social Security Contributions
- Efficiencies and rebalancing
- New Projects
- Returning to balance

Borrowing Strategy and Reserves

3.2 The Government Plan articulates a borrowing strategy to help finance the costs of Covid – 19 on which broad estimates forecast overall exposure costs to exceed £400 million⁷ as well as other significant investment requirements. The borrowing strategy is built on the retention of reserves which are invested through the Common Investment Funds (CIF) with external loan repayments being financed through the retention and diversion of returns from arrangements arising from transitioning Prior Year to Current Year Personal Tax assessments by way of establishing a 'sinking fund':

"We are proposing to borrow up to a maximum of £336 million next year, in addition to the Fiscal Stimulus Fund (£50 million) to cover the costs of responding to the pandemic. This will provide flexibility and allow further work to proceed to minimise the scale of longer-term debt, required to replace the short-term facility in next year's Government Plan.

The annual financing costs of this debt have been included in the Government Plan, but debt has to be repaid and Ministers propose that, should the States Assembly approve plans to move to Current Year Basis (CYB) taxation, the future repayments of the 2019 tax liabilities for Previous Year Basis (PYB) taxpayers will be paid into a ring-fenced sinking fund to repay much, if not all, of this debt. This will support the actions we are taking to restore public finances, while maintaining the strength of our reserves in order to respond to future shocks."⁸

3.3 The sinking fund is therefore established from the transition from Prior Year Basis (PYB) to Current Year Basis (CYB) transitional arrangements is effectively the main source of

⁷ Government Plan 2021-2024 – Page 13

⁸ Proposed Government Plan 2021-24 – P13/14

external debt repayment. Given the regressive nature of the value of money over time, it is difficult to ascertain what level of 'sinking fund would be established and how this would how is this would keep pace with the external financing costs some 15/20 years further down the timeline. We would be of the view that this proposition to finance external borrowing costs by way of a sinking fund financed from the PYB transition is speculative at best.

- 3.4 The strategy also provides for the engagement of a Revolving Credit Facility provided by external financial institution(s). Part of the rationale for external borrowing within the Revolving Credit Facility is to set up a future strategy for the issuance of a Public Bond to allow 'Our Hospital' to proceed as well as other significant infrastructure investments to be financed. This was not clearly signposted within the Government Plan yet costs of the revolving credit facility is forecast at approximately £27.415m⁹ excluding any 'breakage charges' for not meeting the minimal level of borrowing. Such Revolving Credit Facility Costs cost are profiled in the context of the overall Covid-19 related spend as follows:

Covid Programme	2021 Allocation (£000)	2022 Allocation (£000)	2023 Allocation (£000)	2024 Allocation (£000)
Covid-19 Nightingale Field Hospital	8,380	0	0	0
Covid-19 Payroll Co-Funding Phase III	11,300	0	0	0
Covid-19 Revolving Credit Facility	3,746	7,136	8,730	7,803
Covid-19 - Other	4,475	2,205	1,220	250
Economic Recovery	15,500	12,000	12,000	0
Covid-19 Income Support Costs	7,498	5,249	3,692	4,549
Covid-19 Schools catch-up programme	904	0	0	0
Covid-19 Test & Tracing Programme 2	30,000			
Covid-19 Vaccine	5,474	0	0	0
Grand Total	87,277	26,590	25,642	12,602

Table 6 - Profile of COVID-19 proposed spend

- 3.5 In setting up a Bond issuance, we are advised that retained Treasury Management Advisors had provided the Minister with a strategy to optimise the Island's credit rating. Obtaining and maintaining a strong credit rating is critical if there is a prima facie need to externally borrow. Bond finance comes with additional governance costs relating to providing stakeholders with regular assurance around financial performance and affordability. The resultant formulation of a strategy, included the need to retain significant reserves/CIF investment and externally borrow the balance to enable to finance support for the economy and Covid-19 impacts, is essentially preparatory to securing the level of financing options for our New Hospital. Excluding any borrowing for 'Our Hospital' the Plan anticipates the following profile of borrowing¹⁰:

⁹ Government Plan 2021-24 – Table 6 – Page 126

¹⁰ Government Plan 2021-24 – Table 4 – Page 119

	2021 (£000)	2022 (£000)	2023 (£000)	2024 (£000)
Funding required from Revolving Credit Facility*	335,953	70,864	(5,547)	(6,808)
Fiscal Stimulus Fund Borrowing (2020)	50,000			
Cumulative Borrowing Requirement - Covid-19	385,953	456,817	451,270	444,463
Existing borrowing - Housing Bond 2014	250,000	250,000	250,000	250,000

Table 4 - Cumulative borrowing requirement

- 3.6 The resistance to using reserves to fund emergency Covid-19 spend appears to be founded upon the principle that it would be better to externally borrow than liquidate CIF investments based on the assumptions that borrowing costs have been at historical lows and that the existing investments will make positive returns over the medium term. This would appear to be sensible in a steady state economic horizon – unlike the present economic climate. Indeed this is articulated as follows:

"Ministers are proposing utilising short-term borrowing facilities in 2021, given the enduring high levels of uncertainty. In 2021, when there is less uncertainty and a final decision relating to Our Hospital has been made, we will propose the nature of longer-term debt issuance to replace the short-term facilities. A draft strategy for medium to longer term debt has been formulated. However, this strategy will benefit from greater certainty as the global pandemic evolves and once a budget for the Our Hospital project is agreed.

All borrowing must ultimately be paid for. We have made allowance for forecast interest on this debt and Ministers propose that the repayment of the debt will be from the payment of the 2019 Previous Year's Basis taxpayers' liability over the next 15 years or more, if the States Assembly agrees to the Treasury Minister's plans to move everyone to a Current Year Basis.

These payments are time limited and avoid the need to raise taxes to pay off the debt."
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- 3.7 A key concern is the establishment of a borrowing policy that establishes an acceptance of gap fund borrowing and extends repayment into the longer term. Behaviorally, this has the potential to erode or weaken the rigour and challenge that would normally exist around difficult and politically challenging overall tax and spend decisions. What makes the planned level of borrowing potentially more problematic is that we do not think that total external borrowing will be able to be linked to the creation of an equivalent level of assets. We are also aware of problems encountered by organisations that have drawn down Bond Finance in advance of a specific need. These typically present as a sub-optimal treasury management position.

- 3.8 Investment performance through the first six months of 2020 has been problematic, The States of Jersey have approximately £3 billion of investments available within the CIF.

11 Proposed Government Plan 2021-24 – P13/14

During this first six months of 2020, due to the volatility of the markets as a result of Covid-19 a £102.6m or 5.2% loss was sustained on investments held against the Social Security Reserve Fund. Any forecasts on returns on investments is going to involve an element of risk and movements in the reserves are highlighted below covering this period:

Investment Assets	Value	Value	YTD		YTD Drawings
	31/12/19	30/06/20	Gain / Loss	%	
	£m	£m	£m	%	£m
Social Security (Reserve) Fund	1986.7	1864.2	(102.6)	(5.2%)	(19.9)
Strategic Reserve	921.8	874.2	(41.5)	(4.5%)	(6.1)
Stabilisation Fund	50	50.7	0.7	1.5%	0.0
Consolidation Fund	139.9	102.6	0.4	0.3%	(37.7)
Currency and Coinage Funds	55.5	53.9	(1.6)	(2.9%)	0.0
Jersey Reclaim Fund	16.6	16.1	(0.4)	(2.6%)	(0.1)
Health Insurance Fund	95	86.2	(3.4)	(3.6%)	(5.4)
Housing Development Fund	40.9	18.2	(0.7)	(1.6%)	(22.0)
Long Term Care Fund	16.3	16.2	(0.1)	(0.4%)	0.0
Ecology Fund	0.5	0.4	(0.0)	(4.2%)	(0.1)
CI Lottery Fund	0.1	0.1	0.0	0.3%	0.0

3.9 We understand from the antecedent planning that a 'liquidity ladder' is being used to retain investment positions on assets that are deemed to have a higher cost/benefit if liquidated in the short term. Within the updated Plan there is an indication of why this approach has been taken and again reference is made to the proposal to pay any external finance charges:

"Ministers are proposing utilising short-term borrowing facilities in 2021, given the enduring high levels of uncertainty. In 2021, when there is less uncertainty and a final decision relating to Our Hospital has been made, we will propose the nature of longer-term debt issuance to replace the short-term facilities. A draft strategy for medium to longer term debt has been formulated. However, this strategy will benefit from greater certainty as the global pandemic evolves and once a budget for the Our Hospital project is agreed.

All borrowing must ultimately be paid for. We have made allowance for forecast interest on this debt and Ministers propose that the repayment of the debt will be from the payment of the 2019 Previous Year's Basis taxpayers' liability over the next 15 years or more, if the States Assembly agrees to the Treasury Minister's plans to move everyone to a Current Year Basis. These payments are time limited and avoid the need to raise taxes to pay off the debt." ¹²

3.10 Reference is made to the future "long term debt issuance to replace short-term facilities" obviously with a view to retain and grow existing reserves. This appears to be similar to a previous 'Pre-hedging strategy for a public bond issue' provided by the same Treasury

¹² Proposed Government Plan 2021-24 – P13/14

advisers¹³ in relation to fund a new Hospital in the context of outlining some of the preparatory steps that would need to be considered.

3.11 The rationale for not touching the Strategic Reserve is laid out on page 80 of the Plan:

"Faced with this financial challenge, the Council of Ministers strongly believe that the Strategic Reserve should be maintained in these uncertain times and, instead, we propose to borrow to meet the shortfall caused by the pandemic and to maintain investment in services to Islanders, as well as in vital infrastructure. This decision is also informed by the likelihood that the cost of debt will be far lower than the long term returns on our reserves.

The immediate future remains highly uncertain and the Ministers are therefore proposing the use of short-term debt facilities ahead of further action to reduce the debt level before it is replaced by medium term facilities.

This Government Plan seeks approval to utilise £336 million in 2021 from the Revolving Credit Facility of £500 million obtained by the Minister for Treasury & Resources in May 2020."

3.12 No evidence has been made available to demonstrate that the "cost of debt will be far lower than the long term returns on our reserves". Additionally, no assessment has been made of all of the set up fees and additional governance measures (required to provide on-going assurance to stakeholders) that will be generated through on-going recurring costs throughout the life of the issuance.

3.13 On investment performance the Plan envisages significant growth in returns from investments as outlined below for the Strategic Fund and overall Reserves funds:

Table XX - Strategic Reserve Fund	2021	2022	2023	2024
	(£000)	(£000)	(£000)	(£000)
Opening balance	876,000	890,300	904,900	952,900
Return on investments	14,300	14,600	48,000	50,700
Closing balance	890,300	904,900	952,900	1,003,600

13 Treasury Management Advice Paper – January 2017

	2021 (£000)	2022 (£000)	2023 (£000)	2024 (£000)
Opening Balance	3,019,363	2,898,140	2,832,528	2,884,030
Returns on Investments	43,400	41,900	166,900	172,750
Operational Income	322,494	353,886	365,155	440,458
Operational Expenditure	(473,861)	(441,089)	(465,997)	(484,623)
Transfers	(13,256)	(20,309)	(14,556)	21,494
Closing Balance	2,898,140	2,832,528	2,884,030	3,034,109

3.14 On a broad arithmetical basis we would see this level of expectation delivering the following rates:

Year	2021	2022	2023	2024
Indicative %	1.77%	1.45%	5.9%	6.0%

3.15 There is an implicit assumption that the core level of the CIF will not be unduly impacted by any significant market downturn from year 3 of the Plan as can be seen from the indicative returns highlighted above – hovering around 6%. From the overall movements highlighted above, the projected individual Fund balances are set out below with the Strategic Reserve estimated to exceed £1 billion in 2024:

Special funds balances	2021 (£000)	2022 (£000)	2023 (£000)	2024 (£000)
Strategic Reserve Fund	890,300	904,900	952,900	1,003,600
Stabilisation Fund	0	0	0	0
The Health Insurance Fund	79,340	62,517	47,467	35,027
The Long-Term Care Fund	35,220	39,566	43,810	46,190
The Social Security Fund	91,746	86,020	75,294	66,818
The Social Security (Reserve) Fund	1,667,068	1,609,813	1,634,638	1,751,338
The Currency and Coinage Funds	107,800	108,600	109,400	109,400
The Jersey Reclaim Fund	14,300	14,300	14,300	14,300
Housing Development Fund	(14,665)	(13,270)	(11,815)	(10,290)
Climate Emergency Fund	3,397	3,757	4,107	3,797
Fiscal Stimulus Fund	0	0	0	0
Other Special Funds	23,634	16,325	13,929	13,929
Total	2,898,140	2,832,528	2,884,030	3,034,109

3.16 On debt repayment, the proposal to establish a 'Sinking Fund' – (*"we will establish a sinking fund for the debt and use receipts from property disposals, and from the change to Prior Year Basis taxation system - subject to approval by the States Assembly - to fund*

the repayment of the debt proposed in this Government Plan.”¹⁴) is to facilitate repayment of Financing Costs on some £444.5m of external debt will be significant. The notion that part of this will be financed by the future repayments of the 2019 tax liabilities for Previous Year Basis (PYB) taxpayers will logically mean that such liabilities will not be included within Income Tax income profiles. Given that Income will be first call on external debt repayment, any dampening of Income Tax income may be self-defeating over the medium and longer term.

3.17 Income Tax yields and investment returns will be pivotal to the ability to repay borrowing. Income Tax as the core element of income that finances state expenditure will be deemed to be first call on external debt repayment. The challenge with that is that any significant external financing charges correspondingly reduces the level of the ability of the States to finance operational recurring expenditure.

Personal Income Tax

3.18 Table 1 of the Financial Annex Part 1 to the Plan outlines the estimated total States Income to be paid into the Consolidated Fund. Members may recall that the balance on the Consolidated Fund in 2020 is/has been used to enable covid-19 related cash requirements to be expedited:

2020 Forecast (£000)		2021 Estimate (£000)	2022 Estimate (£000)	2023 Estimate (£000)	2024 Estimate (£000)
	Income Tax				
434,000	Personal Income Tax	461,000	500,000	534,000	561,000
120,000	Companies	97,000	103,000	108,000	113,000
(9,000)	Provision for Bad Debt	(6,000)	(6,000)	(3,000)	(3,000)
545,000	Income Tax Total	552,000	597,000	639,000	671,000
	Goods & Services Tax (GST)				
69,300	Goods & Services Tax (GST)	75,700	82,000	85,600	89,400
8,910	ISE Fees	8,910	8,910	8,910	8,910
78,210	GST Total	84,610	90,910	94,510	98,310
	Impôt Duties				
7,544	Impôt Duties Spirits	7,185	7,293	7,476	7,701

¹⁴ Proposed Government Plan 2021-24 – P80

8,717	Impôt Duties Wine	8,986	9,122	9,340	9,622
851	Impôt Duties Cider	860	855	858	868
6,031	Impôt Duties Beer	6,569	6,633	6,691	6,791
19,871	Impôt Duties Tobacco	16,463	15,715	15,933	15,352
21,944	Impôt Duties Fuel	24,993	27,517	27,895	28,307
400	Impôt Duties Goods (Customs)	200	200	200	200
2,358	Vehicle Emissions Duty (VED)	2,730	2,644	2,644	2,644
67,716	Impôt Duties	67,986	69,979	71,037	71,485
Stamp Duty					
24,599	Stamp Duty	26,306	25,507	26,276	27,078
2,400	Probate	2,400	2,400	2,400	2,400
2,084	Stamp Duty on Share Transfer (LTT)	2,247	2,342	2,442	2,545
29,083	Stamp Duty	30,953	30,249	31,118	32,023
720,009	Central Scenario	735,549	788,138	835,665	872,818
4.7%	Annual growth %	2.2%	7.1%	6.0%	4.4%
6,350	Increased collections - Domestic Compliance	8,600	10,900	12,000	13,500
	Additional Tax measures			0	10,000
	Additional ISE Fees	3,500	3,500	3,500	3,500
726,359	Total General Tax Revenue	747,649	802,538	851,165	899,818
13,286	Island Rate Income from Parishes	13,486	13,809	14,155	14,523
9,330	Other States Income - Dividends	8,133	8,568	8,918	9,347
5,651	Other States Income - Non-Dividends	5,473	5,784	7,967	7,949
30,802	Other States Income - return from Andium Homes and Housing Trusts	31,774	32,618	33,520	34,445
59,069	Other Government Income	58,866	60,779	64,560	66,264
785,429	Total States Income	806,515	863,318	915,724	966,081

3.19 Notwithstanding our previous comments on Income Tax year on year growth,(especially given the potential retrenchment arising from the pandemic, the revised year on year increases look extremely optimistic growing from 2020 to 2024 by some 27.3% or £127m. Indeed, the 2019 overall outturn for Income Tax was £585m. Notwithstanding the highly disruptive economic shock linked to the global pandemic, the estimated difference between

the 2019 outturn and the 2020 forecast is only a drop of £31 million or 5.3% in Income Tax (Personal and Corporate)– see below:

Central Forecast £'000	2019 (Outturn)	2020	2021	2022	2023	2024
Income Tax	585,000	554,000	558,000	603,000	642,000	674,000
GST	89,704	78,210	84,610	90,910	94,510	98,310
Impôts Duty	62,879	67,716	67,986	69,979	71,037	71,485
Stamp Duty	34,898	29,083	30,953	30,249	31,118	32,023
Bad Debts	(3,235)	(9,000)	(6,000)	(6,000)	(3,000)	(3,000)
Other Income	71,434	59,069	58,866	60,779	64,560	66,264
Total States Income	840,680	779,079	794,415	848,918	900,224	939,081
Autumn 2019 (forecast)*	850,986	875,459	909,802	947,762	985,010	
Variation	(10,306)	(96,380)	(115,387)	(98,844)	(84,786)	
	-1.2%	-11.0%	-12.7%	-10.4%	-8.6%	

3.20 To move from a pre-covid position of £585m in 2019 to a 2024 position of £671m of £86m or 14.7% is seen as highly optimistic given the unprecedented nature of the pandemic and the high level of downside risks associated with the UK position on a no-deal Brexit. The updated Fiscal Policy Panel have revised their previous forecasts and have predicted a severe recession for 2020.

3.21 Personal Income Tax accounts for some 60.3% of overall general revenue income whilst Corporate Tax some 16.7%. Forecasts on Corporate Tax are regarded as being more straightforward to predict and Revenues Jersey is able to secure significant intelligence on the financial performance of the Finance Sector which is core to the latter element of tax yield. Income Tax estimates rather than actuals are used within the annual accounts process as well as the Government Plan. Such estimates are now largely based on forecasts produced by the Jersey Economics Unit, with any differences between current and prior years made when assessments are finalized. There is a lack of real time assessment or sensitivity analysis around actual tax yield used in key financial actuals. The emphasis is placed upon economic projections rather than the reality of core assessments adjusted where necessary for incremental forecasted change. The practice that permits adjustments to be treated in the balance sheet within future years avoids the required precision needed to allow considered strategic decisions to be made on the largest components of income. In such circumstances there is the risk that key decisions on overall borrowing and affordability might be made based upon potentially unreliable forecasts.

3.22 Within the 2019 Government of Jersey Annual Report and Accounts, the External Auditor commented that the estimation of the income derived from this type of approach imported an element of risk and highlighted this issue as a 'key audit matter':

"The estimation of the amount of revenue in advance of submission of tax returns and completion of individual tax assessments requires significant judgement. The estimate for personal income tax revenue for 2019 and the restated 2018 comparative are both derived from an economic model which requires particular judgement in the selection of subjective inputs, as well as in the determination of the relationships between inputs and their relationship to the predicted level of income tax revenues. There is an increased level of estimation uncertainty due to the delays in finalisation of assessments in respect of the 2018 year of assessment, increasing the scale of the estimates required. Notes 4.2 and 4.3 to the financial statements provide disclosures in relation to judgements over the recognition and estimation of personal income tax revenue. Given the level of judgement applied and the potential for manipulation, we consider this to be a fraud risk."¹⁵

3.23 The level of uncertainty on Tax Income was also acknowledged within the latest Income Forecasting Group's Report. On page 21 the IFG acknowledged that *"There is a risk that the current economic disruption might result in a permanent adjustment to the relationship between economic variables and the tax base. Under the FPP forecast, the economy is smaller throughout the period, with a gradual recovery to a lower level, and this is considered sufficient to capture the impact on taxes in the medium term."*

3.24 The IFG report highlights a number of significant risks to the economy in the short and medium term yet the changes to the economic forecast metrics such as GVAs and Average Earnings are relatively marginal yet the prolonged impact of the pandemic seems to entrench further. This narrative is inconsistent with the relatively marginal changes in Revenue Income forecasts when there was a previous revision in May 2020. In summary, the IFG's report narrative would be more consistent with taking the "Downside Forecast" calculated as a "£50 million decrease from the base forecast for spring 2020 arising from the extended period of reduced economic activity. The downside forecast for 2024 is £54 million less than the base case, reflecting the assumption of more significant structural impacts arising from the Covid-19 pandemic."

3.25 As the Independent Auditor has highlighted that the recognition of Personal Income Tax revenue by way of estimates represents some risk and the IFG report narrative acknowledges a high degree of uncertainty around the trajectory of the economy, it may be more appropriate and prudent to use the IFG's downside forecasts than the mid-range forecasts that have changed little since May of 2020.

3.26 The additional Domestic Compliance Tax income totalling £45m of extra Tax recovery is something we cannot recall encountering within Budget setting. This is £45 million of personal income tax which islanders have failed to pay or will fail to pay but for the

¹⁵ Government of Jersey Annual Report and Accounts 2019 – Key Audit Matters - Page 173

additional compliance measures. As with base Income Tax estimates it would be highly appropriate to seek evidence of how:

- Such additional income will be generated through improved compliance
- Identifying examples of what could be put in place to secure optimum compliance; and
- How this additional Domestic Tax compliance translates into enhanced assessments that realises additional tax.

3.27 Additional tax yield arising from this set of measures appears to be counterfactual rather than leading to extra tax yield through the capturing of tax which taxpayers should have paid but had not due to process weaknesses or tax evasion - not avoidance.

Social Security Contributions

3.28 In addition to the reported significant deterioration in the investment value of Social Security Funds (over the first 6 months of 2020), a significant fiscal policy change has led to Social Security contributions being redirected to Covid-19 activities as follows:

"Following a States debate in 2020, it was agreed that no grant would be paid into the Social Security Fund in 2020 to allow £65.3 million to be allocated to support Covid-19-related financial pressures. Additionally, due to the exceptional financial pressure being faced by the Government as a consequence of the pandemic, it is being proposed that the States Grant is not paid in 2021, 2022 and 2023, allowing an additional estimated £235 million to be allocated to urgent financial pressures. This critical element will support the Government in managing the lost income and additional costs associated with the pandemic and help to fund our capital and revenue expenditure programmes, whilst we implement a plan to return to balanced budgets by 2024."

"At the end of 2019 the assets held in the Social Security Funds represented more than seven years of fund expenditure. These assets form an important part of the overall financial stability of the Island and play a significant role in our credit rating."

"By the end of 2024 the value of the funds is estimated to hold six years of fund expenditure. This still represents a significant investment in the pension provision of future generations of Islanders and is in excess of the target of five times spend established 20 years ago."

3.29 Whilst we recognise the concepts involved in helping businesses and self-employed manage their cash flow in deferring contributions, we have yet to see any impact study on the central scenario implications on the viability of future social security funding for

islander beneficiaries in relation to potential changes in demand/demographic management.

- 3.30 In summary, the Plan does not set out what the potential impact will be on the overall sustainability of Social Security Funds as a result of the redirection other than a reduction on fund capability by about one year at current rates. In the absence of relevant background analysis it would seem more prudent to retain the equivalent £65.3m within the existing Fund – particularly when the plan is to divert some £235m covering 2021, 2022 and 2023.

Efficiencies and rebalancing

- 3.31 The Plan advises that central to rebalancing budgets over the period to 2024 is the package on efficiencies of £20m targets for 2021, in addition to a £100m recurring target per annum by 2023. The change towards a rebalancing narrative suggests a tacit acceptance that the required quantum of efficiency savings may not be achievable and that wider concept of rebalancing may be more pragmatic. Additionally, the extent to which efficiencies are to be delivered from deferred growth does not provide confidence that efficiencies were actual management interventions specifically capable of being efficiency savings in nature.

- 3.32 We are advised that the efficiency targets have already been taken off Department Budgets in a way that suggests a 'salami sliced' approach is being employed. In practice, Managers will be more likely to adjust and control the pace of spend rather than addressing the fundamentals on direct management intervention through service challenge and redesign should difficulties arise. In the absence of defined programmes we do not recognise this approach as meeting good practice and failure to meet a revised expenditure/income target on such efficiency savings may have negative implications on the ability of Departments to meet standard operational service delivery if bottom line budgets are to be contained. The overall Budget and Medium Term Financial Planning setting process within the formulation of the Government Plan has been the principal driver for the articulation of the individual efficiency savings lines. However there is little evidence that collectively the schedule of efficiencies has been based on a strict value for money (VfM) approach, rather such changes, including planned changes, have been driven by the acute demand for the realisation of cashable savings to bridge the budget setting gap – including the financing of the Modernising Government Programme - containing a base budget requirement for significant savings irrespective of the impact on service.

- 3.33 The updated Plan outlines the allocation of efficiency savings aggregating to the £20.013 million for 2021. Whilst there is a schedule outlining each saving initiative the high level roundings suggest a highly aspirational and 'broad brush' approach being taken. The background information as contained within the Plan associated with some of the larger components do not give a high level of assurance that recurring 'cashable' savings can be sustained from these initiatives. These include the £5 million zero based budget review at HCS, the release of funds from GHE for hospital maintenance programme of £4 million,

managing inflationary pressures around Government of £3.7 million, and the OneGov Modernisation of £0.9 million¹⁶:

Minister	Department	Summary description	Recurring or one-off	Budget impact	2021 value (£)
Chief Minister	COO	Transfer technology functions from CYPES and HCS into Modernisation and Digital continuing the application of OneGov principles	Recurring	Spend reduction	900,000
Chief Minister	SPPP	Defer the implementation of the Public Services Ombudsman for one year.	One off	Spend reduction	378,000
Chief Minister	COO	Merge the support and re-plan commissioned research projects for the States Employment Board and Jersey Appointments Commission	Recurring	Spend reduction	200,000
Chief Minister	COO	Review and renegotiate the GoJ print contract securing some of the reductions in print volumes derived from an increase in home working and continued investment in technology	Recurring	Spend reduction	100,000
Chief Minister	SPPP	Defer the development of policy for Financial independence in old age by one year	One off	Spend reduction	50,000
Minister for Children and Housing	SPPP	Defer the development of policy for Long term housing by one year	One off	Spend reduction	25,000
Minister for Children and Housing	CYPES	Redesign the therapeutic support model for children with complex needs (including neuro assessment)	Recurring	Spend reduction	200,000
Minister for Children and Housing	CYPES	Review and realign the commissioned budget available for antenatal services with demand. Note there will be no reduction to the service	Recurring	Spend reduction	180,000
Minister for Children and Housing	CYPES	Review and realign the budget for care leavers with demand. Note there will be no reduction to the service	Recurring	Spend reduction	100,000
Minister for Children and Housing	CYPES	Review and realign the budget for intensive fostering with demand. Note there will be no reduction in the service	Recurring	Spend reduction	50,000
Minister for Health and Social Services	HCS	Implement proposals from the HCS Zero Based Budget exercise once approved by the Minister	Recurring	Spend reduction	5,000,000
Minister for Home Affairs	JHA	Sell a domestic dwelling no longer required by the Fire and Rescue Service whilst compensating for the reduction in rental income (prudent estimate pending valuation)	One off	Income	450,000
Minister for Home Affairs	JHA: SoJP	Through the application of enhanced workforce planning implement a vacancy factor equivalent to approximately 1% of staff costs	Recurring	Spend reduction	215,000
Minister for Home Affairs	JHA	Continue the digital transformation of GST and Customs services	Recurring	Spend reduction	50,000
Minister for Home Affairs	JHA	Continue the organisational implementation of electronic rostering to replace paper based rostering processes	Recurring	Spend reduction	50,000
Minister for Home Affairs	JHA: SoJP	Restructure the Intelligence Administration function to reflect known leavers and vacancies	Recurring	Spend reduction	20,000
Minister for Infrastructure	IHE	Revise and release a portion of the budget for the Health Estate in light of progress made with backlog maintenance and to reflect capital allocations within the HCS budget	Recurring	Spend reduction	4,000,000
Minister for Infrastructure	IHE	Reduce a portion of the property maintenance budget to reflect a reprioritisation of assets requiring maintenance; informed by the Office Accommodation Project	Recurring	Spend reduction	300,000
Minister for Infrastructure	IHE	Re-structure Facilities Management across Government to create one centralised function with hub and spoke delivery aligned with the OneGov principles	Recurring	Spend reduction	200,000
Ministers for Infrastructure, Environment, EDTSC	IHE	Development of an IHE TOM to include reviews of the overall structure, sports division, business administration and the transfer of customer facing services to CLS	Recurring	Spend reduction	750,000
Minister for Social Security	CLS	Defer the implementation of the Care needs at home project by one year	One off	Spend reduction	400,000
Minister for Social Security	CLS	Continued review of, and improvement, to customer services	Recurring	Spend reduction	61,000
Minister for Treasury and Resources	T&E	Reduce cash handling fees by increasing non-cash payment options	Recurring	Spend reduction	30,000
Council of Ministers	Central	Increase income from new charges, and increased cost recovery of existing charged services, based on the initial implementation of a fees and charges framework	Recurring	Income	950,000
Council of Ministers	Central	Continue to manage inflationary pressures across government by retaining the budget for non-pay inflation and seeking best commercial outcomes to contract management	Recurring	Spend reduction	3,718,000
Council of Ministers	Allocated by department	Continue the best practice of reviewing and securing recurring reductions in non-staff budget including locking in some of the spend reductions evidenced during COVID-19	Recurring	Spend reduction	750,000
Chief Minister	SPPP	Deferred Island Plan Review activity from 2020	One off	Spend increase	(325,000)
Minister for Social Security	JHA	Restructuring advisor posts	One off	Spend increase	(19,000)
Minister for Home Affairs	JHA	Restructure of frontline posts to resource JCIS/SOJPS dog handler	One off	Spend increase	(20,000)
Subtotal excluding incremental tax revenue					18,763,000
Minister for Treasury and Resources	T&E	Increase tax revenues through the continued enhancement of domestic tax compliance	Recurring	Income	1,250,000
Total					20,013,000

¹⁶ Government Plan 2021-2024 Annex – Page 112

3.34 We would have thought that the successful delivery of the recurring cashable £900,000 of Modernisation and Digitalisation of One Gov would be wholly dependent and contingent upon associated capital projects being delivered without slippage. On deliverability, there appears to be a lack of risk stress testing and we have still to see a risk assessment on the deliverability of these recurring and non-recurring savings. We would expect an assessment on how specific Departmental Chief Officers will be able to deal with the impact of such budget reductions without a detrimental effect on service delivery performance. Delivery on the full £100m over the life of the Government Plan still appears to highly optimistic particularly as current prevailing operating conditions constitute a substantial set of risks to non-achievement.

3.35 As with Income Tax estimates, the nature of key components of specific efficiency savings within the £20.013million total appear to be highly aspirational rather than founded upon robust stress tested business cases.

3.36 In respect of 'rebalancing' the Government Plan proposes a rigorous application of scrutiny on the control expenditure and the introduction of rebalancing measures:

*"Efficiencies and other rebalancing measures approved through the Government Plan debate will result in cash limit reductions and/or income forecast increases at departmental budget level. The performance of each proposal will then be tracked monthly through the finance budget monitoring process and, where appropriate, with additional qualitative information provided through a project management system."*¹⁷

3.37 Within the Government Plan there is a recognition that both core activities and efficiencies need to be adjusted to reduce expenditure and maximize income under the overarching One Government principles :

*"At the time of writing, the impacts of Covid-19 are still readily apparent and the effect on Government finances is considerably greater than the impact of efficiencies. As described in the 2020 Government Plan Six Monthly Report – multiple approaches will be required to balance Government finances, including a wide range of fiscal measures, borrowing strategies, economic stimulus, treatment of funds and the delivery of savings and efficiencies. This represents a shift to a broader set of financial re-balancing measures into which the efficiencies have been subsumed."*¹⁸

3.38 Whilst this rebalancing approach may appear to be nebulous, with limited clarity on efficiency savings and Modernising Government investments, it does signal that the Government of Jersey is open to rework underperforming or undeliverable efficiency savings. This level of change capability over policy is going to be more important where

¹⁷ Government Plan 2021-2024 – Page 61

¹⁸ Government Plan 2021-2024 – Page 60

the focus is moved from more non-critical improvement investments and efficiency improvements back to protecting critical core service delivery.

3.39 At the outset of the Covid-19 lockdown arrangements we were impressed by the agility in allocating from central reserves through the Consolidated Fund to front line services to cover the immediate costs associated with the effects of COVID-19 at a time when it was predicted that “public revenues in 2020 would be £106 million below their autumn 2019 forecasts, and that revenues will remain below the previous forecasts for the whole of the next Government Plan period and are likely give rise to a structural imbalance in public finances”.¹⁹ The resulting Halt, Defer and Reduce approach taken by Departments to “*stop and not start, defer and change*”²⁰, highlighted in April 2020, exemplified an emerging financial strategy that provided much needed agility in redirected cash towards front line support. A demonstrable requirement to re-balance and create control over the equilibrium between income and expenditure. However, the revised Government Plan 2021-2024 appears to have restored scheduled improvement aspirations, moving on from the immediacy of challenges presented by front line supporting demands. This is counter to what we are increasingly seeing in the UK with organisations steadily moving away from improvement related investment towards the financing of core services as a consequence of demand led pressures driving a return towards meeting basic primary legislative service obligations.

New Projects

3.40 On the basis of value, new projects within the Modernising Government category account for an ambitious investment at a level of £127.2 million to 2024 within an extract from the Government Plan 2021-2024²¹:

¹⁹Economic Recovery In-Committee Debate - 29th May 2020 – Page 2

²⁰ Covid-19 – Treasury and Exchequer – 24 April 2020 – slide12

²¹ Government Plan 2021-2024 – Annex – Pages 197 - 198

CSP Priority	Sub-priority	GP Ref	Programme	Programme Description	2021 Revised Allocation (£000)	2022 Revised Allocation (£000)	2023 Revised Allocation (£000)	2024 Allocation (£000)	BAU YES/ No		
Modernising Government	Non-Ministerial expressions of interest	GP20-OI-Non-01	Comptroller and Auditor General additional funding	C&AG	25	25	25	25	Yes		
		Comptroller and Auditor General additional funding Total				25	25	25	25		
		GP20-OI-Non-03	Judicial Greffe additional funding	Office Holders Pay Review Tribunal Service	80	80	80	80	Yes		
		Judicial Greffe additional funding Total				158	158	158	158		
		GP20-OI-Non-04	States Assembly additional funding	Additional legal drafters States Assembly additional funding	258	258	258	258	Yes		
		States Assembly additional funding Total				994	1,019	881	881		
		GP20-OI-Non-05	Viscount's Department additional funding	Court Service/Inquest Officer Finance Officer Knowledge Management Office Holders Pay Review Saisie/Court Officer Software Maintenance	43	43	43	43	Yes		
		Viscount's Department additional funding Total				325	325	325	325		
		GP20-OI-Non-06	Legal Aid Office	Legal Aid Office	400	400	400	400	Yes		
		Legal Aid Office Total				400	400	400	400		
	GP20-OI-Non-07	Probation Service additional funding	Probation Service BaSS Projects	35	35	35	35	Yes			
	Probation Service additional funding Total				35	35	35	35			
	Non-Ministerial expressions of interest Total					1,937	1,962	1,824	1,824		
	A new, long-term strategic framework	A new, long-term strategic framework	GP20-OI-01	Census 2021	Census 2021	450	0	0	0	No	
			Census 2021 Total				450	0	0	0	
		A new, long-term strategic framework Total					450	0	0	0	
		A States Assembly and Council of Ministers that work together for the common good	GP20-OI-01	States Greffe extended services	States Greffe extended services	534	729	504	504	Yes	
			States Greffe extended services Total				534	729	504	504	
		A States Assembly and Council of Ministers that work together for the common good Total					534	729	504	504	
		A modern, innovative public sector	A modern, innovative public sector	GP20-OI-01	Building Revenue Jersey Team	Building Revenue Jersey Team	2,685	1,466	995	995	Yes
				Building Revenue Jersey Team Total				2,685	1,466	995	995
			GP20-OI-02	Commercial Services - enhanced capabilities	Commercial Services - Target Operating Model	1,450	1,500	1,550	1,550	Yes	
			Commercial Services - enhanced capabilities Total				1,450	1,500	1,550	1,550	
	GP20-OI-03		Domestic Compliance ("Spend to Raise")	Domestic Compliance ("Spend to Raise")	1,562	1,505	1,505	1,505	Yes		
	Domestic Compliance ("Spend to Raise") Total				1,562	1,505	1,505	1,505			
	GP20-OI-04		Enabling policy excellence across the Government	Enabling Policy Excellence across the Government	20	60	80	80	No		
	Enabling policy excellence across the Government Total				20	60	80	80			
	GP20-OI-05		Government of Jersey Bank charges	Government of Jersey Bank Charges	300	300	300	300	No		
	Government of Jersey Bank charges Total				300	300	300	300			
	GP20-OI-06	GST de-minimis changes	GST de-minimis changes	200	200	200	200	No			
GST de-minimis changes Total				200	200	200	200				
A modern, innovative public sector Total	A modern, innovative public sector	GP20-OI-07	Guernsey-Jersey Joint Working Programme	Guernsey-Jersey Joint Working Programme	40	40	40	40	Yes		
		Guernsey-Jersey Joint Working Programme Total				40	40	40	40		
	GP20-OI-08	Increased audit fees	Increased audit fees	75	75	75	75	Yes			
		Increased audit fees Total				75	75	75	75		
	GP20-OI-09	Modernisation and Digital - enhanced capabilities	Modernisation & Digital - Target Operating Model	5,000	4,900	5,100	6,000	No			
		Modernisation and Digital - enhanced capabilities Total				5,000	4,900	5,100	6,000		
	GP20-OI-10	People and Corporate Services - enhanced capabilities	People & Corporate Services - People Strategy	2,500	2,000	1,500	1,500	No			
		People & Corporate Services - Respond		2,400	2,600	2,700	2,800	No			
		People & Corporate Services - Sustain		2,800	2,900	3,000	3,100	Yes			
	People and Corporate Services - enhanced capabilities Total				7,700	7,500	7,200	7,400			
	GP20-OI-11	Policing 2020-23	Policing 2020-2023	1,630	1,784	1,907	2,046	No			
		Policing 2020-23 Total				1,630	1,784	1,907	2,046		
	GP20-OI-12	Supply Jersey Maintenance, Licencing and Procure to Pay analysis	Supply Jersey Maintenance, Licencing & Procure to Pay Analysis	133	133	133	0	Yes			
		Supply Jersey Maintenance, Licencing and Procure to Pay analysis Total				133	133	133	0		
GP20-OI-13	Supporting One Gov - Team Jersey (HR/OD strategic partner)	Supporting One Gov - Team Jersey (HR/OD strategic partner)	252	0	0	0	No				
	Supporting One Gov - Team Jersey (HR/OD strategic partner) Total				252	0	0	0			
GP20-OI-14	Technology Transformation Programme	Revenue Impact of IT Investment Fund	4,567	14,637	14,637	13,570	No				
	Technology Transformation Programme Total				4,567	14,637	14,637	13,570			
A modern, innovative public sector Total					25,614	34,100	33,722	33,761			

- 3.41 Within the Modernising Government category there are a number of disparate projects that seek to provide more effective impacts, save the increased audit fees, Insurance Premium and the Revolving Credit Facility. It is not clear how the current Pandemic will affect the pace of implementation on the more significant structural and process change. In relation to the Commercial Services restructure, in the context of deferment, we cannot see what the payback from this additional £6 million of investment will bring to Government capability.
- 3.42 We have already commented upon the Covid-19 Revolving Credit Facility (and related £27.415 million of linked costs) and the link with external borrowing in the face of maintaining existing levels of reserves.
- 3.43 On delivering effective financial management (presumably more effective) we are unsighted as to the tangible benefits arising from the outputs of more effective financial management. Quickening the pace of the annual accounts closedown process does not in itself produce a position that necessarily provides more insight. However we do recognize that improved in year financial performance reporting should aid decision making but again are unsighted on the cost benefits of this significant level of investment - presumably linked to external consultancy support. Whilst significantly improved accuracy, versatility and speed on in-year financial and operational performance may be highly desirable, such improvements require to be appropriately aligned to enhanced/diffused financial management capability and that requires upskilling and ownership around financial performance. In this way Departments can fully utilize any greater system capabilities that can be harnesses by this investment. However, in practice, without a commensurate improvement in skilling and accountability, the utility of such changes may be marginal at best.
- 3.44 It is noted that the central reserve for risk and inflation relating to the Capital Programme has remained at similar levels to previous versions of the Plan yet the quantum and nature of the Capital Programme has changed. Given the historically low levels of general inflation, this type of reserve would appear to be maintained as a 'hedge' against unforeseen risks. In such circumstances, the profiling of exposure appears to be based upon guesswork rather than tracking capital spends. We are assuming increased Audit Fees will allow the Comptroller and Auditor General to increase capabilities within that service. Together with increased Audit Fees and additional Insurance Premium exposure, these additional investment requirements appear to have only a minimal link to the concept of Modernising Government. Such projects appear to be more aligned to existing commitments or marginal structural change whereas there appears to be more of a linkage with this concept relative to the Jersey Bank charges which are designed to enable and facilitate electronic payment for Government services.
- 3.45 Securing improvements in Domestic Compliance delivered with an investment of £6.077 million (£1.562 million in 2021, £ 1.505 million in each of 2022, 2023 and 2024) appears to be a 'spend to raise' investment. Within the £20.013million efficiencies schedule there is additional increases tax revenues through the continued enhancement of domestic tax compliance valued at £1.250 million. This value, in itself appears to be inconsistent with

the quoted additional yield arising from improvements in compliance work at Revenues Jersey – “Taking account of the slower-than-anticipated commencement of compliance work (resulting from lockdown), improved collection, as part of the Efficiencies Programme, is estimated to increase revenues by £6.35 million in 2020, rising to £13.5 million in 2024.”²² In essence, we cannot see evidence of what the payback for this £6.077 investment looks like and how this is aligned to the additional £6.141 million investment in the Revenue Jersey Team (£2.685 million in 2021, £1.466 million in 2022, £0.995 million in both 2023 and 2024). It is difficult to see how both planned investments totalling some £12.218 million contribute towards both a more effective and efficient services in a way that optimizes tax yield.

3.46 We found it difficult to track changes between 2020-2023 commitments and refined 2021-2024 additional spend and at this point in time have been unable to reconcile such movements. Notwithstanding this position and based on the materials supplied to us, a recurring theme across the projects categorized as Modernising Government is a lack of detail surrounding the related business cases, from proof of concept through to the engagement, implementation and management of such changes.

Returning to balance

3.47 Notwithstanding a forecasted deficit of some £282 million in 2020 (this year), deficits are forecasted through 2021 and 2022 as £178.1 million and £50.7 million respectively with a surplus position returning in 2023. These forecasted deficits are contingent upon all of the core assumptions within the financial modeling being delivered. On the high level metrics, as highlighted in Section 2 above, the latest update reveals that:

- Income is now £96m lower (previously £107m) with incomes set to be some £395m lower than approved within the 2020-23 Government Plan
- Covid related expenditure is likely to be approximately in excess of £400m – previously reported approximately £255m with approximately £250m additional in this year alone 2020

3.48 Such is the element of volatility around forecasted income and elements of expenditure, arising from the impact of the Pandemic, that potential material deviations from the core assumptions outlined within the revised Plan may require recalibration leading to additional changes (and agility) around tax and spend decisions.

3.49 During our review we have expressed some concerns about the strength of the assumptions underpinning key tax and spend assumptions. Due to the high level of

²² Government Plan 2021-2024 – Page 119

integration within the high level financial modelling, the sensitivity to marginal changes to income and expenditure may produce significant shifts in bottom line deficits arising from the 'gearing effect'. During the course of the Plan, key assumptions relating to a number of critical income and expenditure components may need to be further revisited. Such recalibration may consequently change the overall bottom line position on future deficits and in turn, impact corporate decision making on tax and spend. Given the unprecedented level of uncertainty we would recommend that the Government Plan 2021-2024 is updated every six months and recalibrated/'fine-tuned' and adapted for pressures and opportunities as they emerge.

Building upon the 2020-2023 Government Plan

4.1 Within our previous assessment of the Government Plan 2020-23 we made positive comments about the Government Plan's attributes in bringing operational policy and financial strategy together. Indeed, we were of the view that the Government Plan 2020-2023 was "well-constructed and we would commend the articulation and incorporation of explicit corporate objectives within a financial plan. The GP seeks to provide the stability to enable such objectives to be delivered over the four year period whilst enabling agility to recalibrate for any unforeseen events or over/underperformance."²³ "The Government Plan 2020-2023 is a bold and ambitious plan. It is essentially a fiscal framework which incorporates unparalleled levels (in respect of Jersey) of transformational change".

4.2 We identified the following high level strengths:

- Architecture/structure of the Government Plan is comprehensive and well presented
- In context the information is presented in a user friendly format, is intelligible and accessible to non-expert users
- The Government Plan clearly outlines service priorities in a way that previous MTFPs have not and attempts to integrate priorities with estimated/planned financial exposure – this is not commonly evident within UK equivalents
- On financial strategy formulation there is clear strategic direction, strong corporate co-ordination and for the first time real direction on performance management delivery and officer accountability
- Concentration on cross cutting approaches to efficiencies
- Elimination of the reservation of funds for Capital Project approval
- Incorporation of Balance Sheet management within the Plan (we had been previously critical of the absence of this within previous MTFP reviews)

4.3 These attributes were considered to highlight examples of good practice. Given our experience of evaluating financial strategy modeling (across a wide range of organisations across the world), on a comparative basis, we considered the Jersey Government Plan 2020-2023 as an exemplar. However, within the same review we did highlight what we thought to be weaknesses in terms of a lack of detail underpinning:

- Basic departmental service plans and staffing structures
- Lack of detail behind transformational change project business cases
- Aspirational Income Tax forecasts
- Absence of assurance around efficiency savings proposals

²³ CIPFA – Corporate Services Scrutiny Panel – Review of the Government Plan 2020-2023 – Page 20

4.4 We concluded that for the 2020-2023 Government Plan, foundational budgets and investment allocations appear to be more aspirational than being formulated on detailed stress tested business case change plans. Whilst we fully appreciate that the changing focus on Covid-19 has brought different priorities, the above developmental issues appear to still exist and be prevalent within the revised Government Plan 2021-2024. This includes a continuing level of optimism bias across personal tax income, lack of detail behind the ability to deliver efficiency savings and around service change. It may well be that these issues have been amplified by the management challenges posed by the pandemic. If so the reliability of the Government Plan 2021-2024 may be impaired and it is important that the States of Jersey address issues on transparency, detail and reliability.

Issues and Recommendations

5.1 Five key issues were identified as requiring development during our assessment. The issues outlined below are have some causal linkages and therefore potential accompanying recommendations may be interdependent. These recommendations have been translated into a more detailed Improvement Plan which will be agreed with the Corporate Services Scrutiny Panel.

Summary area	Issues	Recommendation
<i>Financial sustainability</i>		
Revised Borrowing Strategy, affordability and linkages to Reserves	Full retention of reserves and gap funding of up to £406 million met by external borrowing via a £27.4 million Revolving Credit facility. The establishment of a sinking fund composed of receipts mainly from transitional arrangements arising from the change from Prior Year Tax to Current Year Tax assessment, to finance external borrowing costs is regarded as speculative	Blended approach of reserve utilisation and external borrowing with financing costs being met by existing Income Tax streams. A 'balanced' approach would provide a more realistic and stable outlook on medium and longer term borrowing costs
<i>Personal Income Tax</i>		
Personal Income Tax Estimates	Importation of high risk on the reliability of Income Tax estimates used within the Annual Accounts and Government Plan	Revenue Jersey system based data needs to be significantly enhanced and Personal Tax forecasts/estimates subjected to independent stress testing. In the interim, the utilization of the lower ranged Income Tax forecasts should be used within Government Plan modelling in a way that will allow a more prudent/considered approach to be taken on overall strategic financial modelling - in the context of the extent of volatility arising from the pandemic and potential UK impacts of a no deal Brexit position

Efficiency savings

Efficiency savings

Central to rebalancing budgets is £20 million target for 2021 in addition to £100 million of annual recurring savings by 2023. Within the schedule of planned savings there is a high level of aspirational efficiency savings which have been already 'top sliced' from Departmental budgets. Some savings proposals lacked validity – at worst some components could be aligned to unrequired budget. There is not enough evidence to demonstrate that some of the significant efficiency savings proposals are realistic and will not impose significant impacts on normal activity funding should they not be delivered at departmental level. There is little evidence that collectively the scheduling of planned efficiencies has been based on a strict value for money approach and that service redesign is going to be delivered in a way that produces recurring cashable savings based on real change rather than stopping or changing the pace of activity

There needs to be a more realistic approach to gap funding efficiency savings formulation with business cases for each component being independently risk tested and validated by a form of external scrutiny.

It is critical that the States re-appraise their budget setting process and recalibrate the process by using more of a credible 'bottom up' approach rather than deploying top-down top slicing. Each departmental Directorate should be fully involved and signed up to the delivery of each efficiency saving initiative. In relation to in-year performance management, delivery of each savings initiative should be transparently tracked and risk rated with each Directorate being fully accountable for delivery performance on a monthly reporting cycle.

Departments should also be incentivised to return unrequired budget early within the financial year for redistribution where necessary

New Projects/Investment

Modernising Government – rigour on pay back and implementation

Acute lack of background on the strength of the relevant business cases that underpin the schedule highlighting Modernising Government initiatives to be delivered by 2024. There is insufficiently detail on non-financial and financial payback. Examples of this include additional

As with efficiency savings, improved assurance is needed over the validity of both business case and prospectivity of implementation of New Projects within the expected investment cost estimates and scheduled timeline.

£6.141 million investment in the Revenue Jersey Team and £6.077 million in securing an improved level of Tax compliance. It is difficult to see what the actual impact of this overall £12.218 million investment will be in securing higher tax yields. There is an absence of an assessment of the linked technical capacity (island and external) to ensure these projects are delivered successfully.

Government Plan Updates

Returning to balance

Forecasted deficit of some £282 million in 2020), deficits are forecasted through 2021 and 2022 as £178.1 million and £50.7 million respectively with a surplus position returning in 2023. These bottom line positions are contingent upon all of the core assumptions within the financial modeling being delivered.

Given the current unprecedented level of uncertainty we would recommend that the Government Plan 2021-2024 is updated every six months and recalibrated for pressures and opportunities as they emerge.

Such is the element of volatility around forecasted income and elements of expenditure arising from the impact of the Pandemic on planned activities that possibly material deviations from the core assumptions outlined within the revised plan may require additional key changes (and agility) around tax and spend decisions.

During our review we have expressed some concerns about the strength of the assumptions underpinning key tax and spend assumptions. Due to the high level of integration within the

financial modelling, the sensitivity to marginal changes to income and expenditure may produce significant shifts in bottom line deficits through the 'gearing effect'. During the course of the plan, key assumptions around a number of critical income and expenditure components may need to be revisited and this may materially change the overall bottom line position on future deficits.

Appendices

Appendix I: Evidential Sources

List of Interviewees - 1

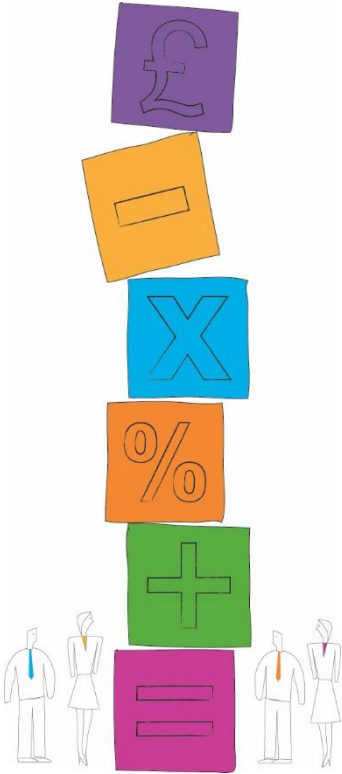
	Forename	Surname	Job Title
1	Richard	Bell	Treasurer to the States and Director General

List of Documents Reviewed

The documents reviewed by CIPFA included but were not limited to the following:

- Government Plan 2021-2024
- Master Annex to Government Plan 2021-2024
- Rebalancing Growth Review 2021-2024
- Government Plan 2020-2023 – 6 Months Progress Update
- Government of Jersey Annual Reports and Accounts 2019 including External Auditors opinion
- Debt Financing Options for the New Hospital – Refreshed- September 2019
- 2021 – 2024 Government Plan – Proposition – 28 September 2020
- Ratification of CoM Workshop decisions on Finance Workstreams – 4 September 2020
- Covid-19 Funding Framework & Scheme – March 2020 – Treasurer of the States
- Covid-19 Financial Update - Financial Update - Treasury & Exchequer – 24 April 2020
- Government Plan 2021-24 Committee and Panel Officers Update
- Results from the Jersey Opinion and Lifestyle Survey and the Government Plan Priorities Survey - Anuschka Muller, Director Strategic Planning and Performance – 4 September 2020
- R54 – 2020 Recovery Plan
- New Growth Funding for the Government Plan 2021-2024
- Jersey Fiscal Policy Panel – Annual Report – October 2020
- Jersey Fiscal Policy Panel - FPP supports Government Plan’s short-term economic stimulus and borrowing; but highlights need to return to sustainable government finances – October 2020 Press Release
- Income Forecasting Group (IFG) - Report on the revised forecast of States income for autumn 2020

- R122 – Proposals for the payment of the 2019 Tax Liability of Prior Year Basis Taxpayers
- P147 – 2020 – Draft Finance (2021 Budget) (Jersey) Law 202
- Ministerial Decision Reports – various – allocation of reserves to meet emergency funding pressures due to the impact of Covid-19



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