

PM/SC/113

COUNCIL OF MINISTERS

(12th Meeting)

16th April 2015**PART A (Non-exempt)**

All members were present.

Senator I.J. Gorst, Chief Minister  
 Senator A.J.H. Maclean, Minister for Treasury and Resources  
 Senator L.J. Farnham, Minister for Economic Development  
 Senator Sir P.M. Bailhache, Minister for External Relations  
 Senator A.K.F. Green, M.B.E, Minister for Health and Social Services  
 Deputy A.E. Pryke of Trinity, Minister for Housing  
 Deputy E.J. Noel of St. Lawrence, Minister for Transport and Technical Services  
 Deputy S.J. Pinel of St. Clement, Minister for Social Security  
 Deputy S.G. Luce of St. Martin, Minister for Planning and Environment  
 Deputy R.G. Bryans of St. Helier, Minister for Education, Sport and Culture  
 Deputy K.L. Moore of St. Peter, Minister for Home Affairs

In attendance -

Senator P.F.C. Ozouf, Assistant Chief Minister  
 Deputy T.A. Vallois, Assistant Minister for Treasury and Resources  
 J.D. Richardson, Chief Executive, States of Jersey  
 M.N. de la Haye O.B.E., Greffier of the States  
 R. Bell, Treasurer of the States (for items B1-B3)  
 C. Haws, Head of Financial Planning, Treasury and Resources Department (for items B1-B3)  
 C. Anderson, Reform Programme Manager, Chief Minister's Department (for items B1-B3)  
 D. Peedle, Chief Economic Adviser, Chief Minister's Department (for item B1, B3 and B4)  
 M. King, Chief Executive Officer, Economic Development Department  
 A. Scate, Chief Executive Officer, Department of the Environment  
 P. Bradbury, Director – Corporate Policy, Chief Minister's Department (for items B1 and B4)  
 Dr. I. Skinner, Assistant Director – Strategy and Policy, Chief Minister's Department (for items B1 and B4)  
 K. Keen, Consultant  
 Sir. D. Henshaw, Workshop Facilitator  
 C. Keir, Assistant Director – Ministerial Support and Communications  
 P. Monamy, Clerk to the Council of Ministers

Note: The Minutes of this meeting comprise Part A and Part B.

Draft Public  
 Finances  
 (Amendment  
 of Law No. 3)  
 (Jersey)

A1. The Council, with reference to its Minute No. B5 of 26th March 2015, discussed with the Treasurer of the States and the Treasury team, together with the Reform Programme Manager and the Chief Economic Adviser, Chief Minister's Department, the draft Public Finances (Amendment of Law No. 3) (Jersey) Regulations 201-, the purpose of which was to introduce flexibility in the way that

Regulations  
201-: MTFP  
2016-2019 -  
proposed  
changes to  
Public  
Finances  
(Jersey) Law  
2005 (lodging  
'au Greffe').  
447/1/1/10(1)

expenditure was fixed in a Medium Term Financial Plan.

It was noted that the changes proposed to the Public Finances Law did not seek to undermine the decision of the States to introduce longer-term certainty and financial discipline within the States, but rather were designed to assist with the difficult financial situation currently faced by the Island.

The Council noted a summary as to how the proposed Regulations would affect the way in which expenditure was fixed in the 2016-2019 Medium Term Financial Plan (MTPF), as follows –

- Total Income Targets for the period – unchanged – to be approved in the MTFP;
- Total Spending Limits for the period – unchanged – to be approved in the MTFP;
- Minimum Department Spending Limits – at least one year to be approved in the MTFP;
- Total Capital Expenditure Limits – unchanged – to be approved in the MTFP;
- Annual Allocation to Contingency – at least one year to be approved in the MTFP.

Having noted that there were no financial or manpower implications arising from the draft Amendment, the Council accordingly endorsed the draft Regulations, together with the accompanying Explanatory Report, and agreed that the final version should be lodged 'au Greffe' by the Minister for Treasury and Resources on the basis that they would be set down for consideration by the States on 2nd June 2015.

Draft Resource  
Statement  
2016-2019:  
presentation to  
States.  
1444/1(68)

A2. The Council discussed with the Treasurer of the States and the Treasury team, together with the Reform Programme Manager, Chief Minister's Department, a draft Resource Statement 2015-2019 which provided an update on States public finances to inform the States debate on the Draft Strategic Plan 2015-2018 scheduled for 28th April 2015.

It was recalled that the Chief Minister had undertaken to provide an update on States public finances ahead of the debate on the Draft Strategic Plan, and the Council further recalled that it had received an update on the income forecasts from the Income Forecasting Group (IFG) and initial outcomes from the ongoing spending review.

The Council noted that the Resource Statement provided a summary of the development of the Medium Term Financial Plan (MTPF) and that its presentation would coincide with a briefing to be provided to Members of the States, Trade Unions and a cascade of information to staff, together with a media release. The Council recognised the importance of ensuring as far as possible that States members were provided with the necessary briefing material in advance of the presentation, and that as many States employees as possible (subject to shift working patterns and employment location) were initially apprised of the implications arising from the Resource Statement by the employer directly, rather than through their Trade Union representatives.

The Council accordingly approved the Resource Statement (subject to a number of amendments, including elements of nomenclature) and authorised the Chief Minister, in conjunction with the Minister for Treasury and Resources, to finalise the text prior to its presentation in the name of the Council.