



# Treasury and Resources Business Plan 2013

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## FOREWORD

Against continued worldwide economic challenges, our Public Finances remain in a strong position. In 2012 we saw a further improvement in the way the States manages its finances with the approval of the first Medium term Financial Plan covering the years 2013 - 2015. This positive progression will be sustained as we continue to work on our longer term financial planning and support the public sector reform programme as it develops.

It is sometimes easy to overlook some of the vital work that Treasury and Resources does in keeping the Island's finances running smoothly. Whether that be assessing and collecting taxes, managing capital projects, procuring, cashiering, accounts payable and receivable, completing monthly and year-end accounts, overseeing the Island's significant investments, managing pensions, managing payroll, maintaining public property, administrative support, supporting ministerial decisions and the very many other tasks that are performed. It is a testament to the department, and how well these things are done, that so much of this goes unnoticed.

The Taxes transformation programme continues apace and 2012 saw companies being given the means to file their annual tax returns online for the first time. Further the scanning of over 50,000 personal tax returns into the IT system has facilitated streamlining of the personal tax assessment system. These projects are part of the infrastructure being developed which will in time allow individual tax payers to file their tax returns online. I will continue to support these initiatives and ensure that that action is taken to collect tax that is rightly and properly due.

In the Medium term Financial Plan growth funding was allocated to implement the first 3 year phase of the transition plan for health and social services. In addition a feasibility study is being undertaken to consider the best option for acute services, in particular whether a new hospital should be built on a new site or the existing site substantially redeveloped. I and my officers will continue to support the Health and Social Services Department with these vital pieces of work.

Over the next three years the States are planning to spend £222m on capital projects, much needed money for our economy and the Treasury will support departments as they invest in roads, sewers, sea defences, air and sea ports as well as the Island's other vital assets.

The States holds a controlling interest in the Island's utilities, being Jersey Water, Jersey Electricity, JT and Jersey Post and wholly owns the States of Jersey Development Company. The Treasury continues to be an active shareholder and we will work alongside these companies to develop their businesses, engage with employment initiatives and, where possible, generate "off-island" opportunities for economic growth and diversification.

**Senator Philip Ozouf**

**Treasury and Resources Minister**

## **SECTION 1**

### **INTRODUCTION BY THE TREASURER OF THE STATES**

Active management of the balance sheet as well as the budget can result in an overall improvement of the financial position for Jersey, as well as safeguarding the assets of the Island for future generations. Treasury has a crucial role to play in making this happen.

We continue to make progress on making the best use of the physical assets that the States owns, particularly land and buildings. Part of this is the current rationalisation of the office accommodation for the States of Jersey to support more collaborative and efficient ways of working.

A key challenge which the States faces is the historic issue of the pre-1987 debt. An agreement was reached to repay it over 82 years, but plans are being developed to repay this faster and reduce the long term financing cost. In addition, the States of Jersey needs to change the employee pension schemes so as to make the schemes affordable, fair and sustainable for the long term.

The recommendations from the Taxes Office review has led to the creation of the Taxes Transformation programme. In 2013 we will implement the Long Term Care charge component in partnership with Social Security Department as part of the new long term care benefit scheme. improvements in ITIS and the Introduction of online filing for personal taxpayers with agents.

The States has made good progress with delivering the Comprehensive Services Review savings and we are now entering the final year of the programme. Looking ahead we plan to make further savings from the reform of government as well as pursuing a number of approaches for further budget reductions. This will not be easy to achieve but the Minister, Treasury officers and myself will do all we can to assist departments in the future.

I would like to thank staff throughout Treasury and Resources for the continued hard work and dedication they continue to show and I look forward to meeting the challenges that 2013 will present.

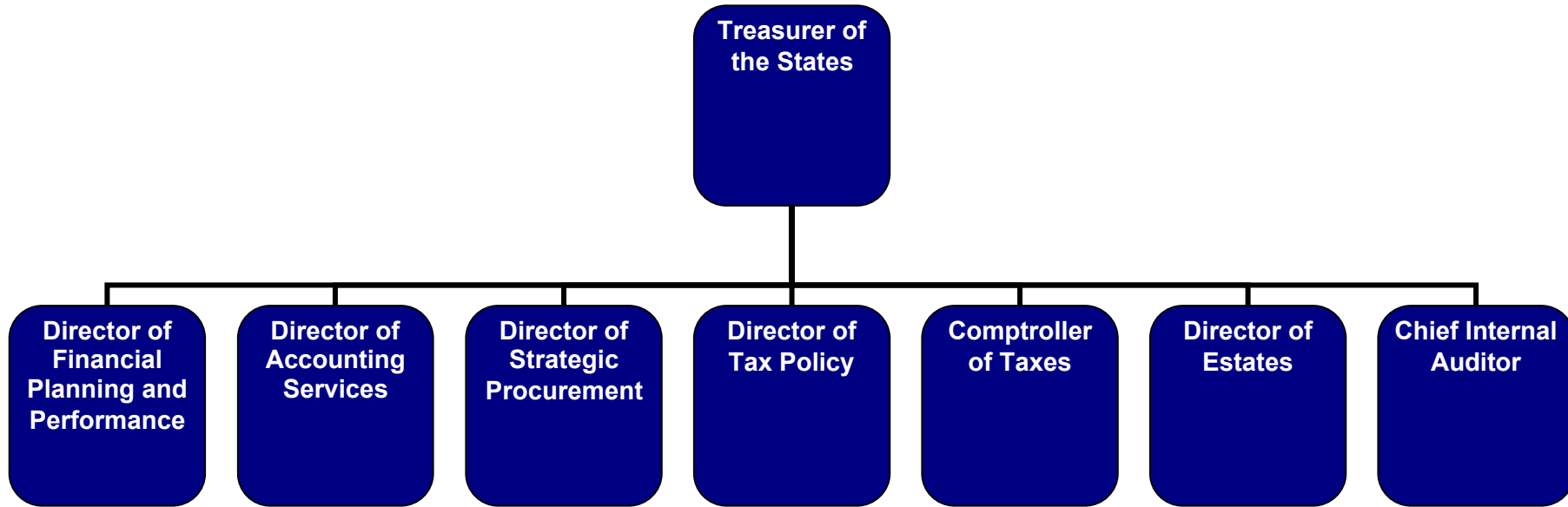
**Laura Rowley**

**Treasurer of the States**

**WHO WE ARE**

**TREASURY**

The Treasury and Resources Department employs a total of 246.1 full time equivalent (fte) staff organised to deliver services as follows:



## WHAT WE DO

Treasury and Resources is two divisions, both under the direction of the Treasurer of the States.

### TREASURY

The main services provided by each section within the Treasury are as follows:

#### Treasury Operations

The Treasury Operations function is responsible for States wide treasury management, development and insurance arrangements. The following provides an outline of the key tasks undertaken by the section:-

- development and operation of effective treasury management policies and investment strategies
- management of States investments and cash balances, maximising financial returns whilst managing security and liquidity requirements
- management of the Island's currency
- management of States' insurances
- management of States' charitable funds
- manage the Financial Planning and Accounting for all Non-Ministerial departments
- provide accounting and operational investment support for the pension funds including preparation of accounts and information for the States accounts.

#### Financial Planning and Performance

The role of Financial Planning and Performance is varied and covers a number of key functions. At its heart the team look to provide a well regulated and appropriate planning, accounting, monitoring, forecasting and decision support framework for the States of Jersey that gives assurances that the organisation is meeting its strategic and operational aims. In addition, the team are responsible for leading in financial accounting and control matters affecting the States including adherence to the Public Finances Law.

The following provide an outline of the key tasks undertaken by the section:-

- preparation of the States' medium term financial plan and long term capital plan
- implementation of the current Fiscal Strategy
- support the review and development of future Fiscal Strategy
- central financial planning support and research to inform strategic, departmental and capital projects
- strategic financial analysis and advice to Ministers, Chief Officers and departments
- delivering the Treasurer's head of profession role in relation to finance staff across the States

- financial and manpower resource allocation
- financial monitoring and consolidation of quarterly financial reporting
- assist with performance measurement, review and reporting
- supporting the Treasury and Resources Minister
- preparation of the States' annual report and accounts
- maintenance and updating of the Financial Control Framework
- delivering a programme for compliance with new and existing accounting standard requirements
- development of an active shareholder role in respect of States owned companies, delivering improved governance and financial performance from companies
- maintenance and development of the Public Finances Law and associated governance arrangements
- responsibility for all States loans and borrowings, miscellaneous loan funds and separately constituted funds.

### Internal Audit

Internal audit provides an independent and objective review and advisory service to:

- provide assurance to the Corporate Management Board that the States of Jersey's financial and operational controls designed to manage the organisation's risks and achieve the organisation's objectives are operating in an efficient, effective and ethical manner, and
- assist management in improving the organisation's business performance.

Internal audit reviews cover all programmes and activities of the States of Jersey together with associated entities as provided for in relevant business agreements, memoranda of understanding or contracts. Internal audit activity encompasses the review of all financial and non-financial policies and operations.

Audit activities are selected on the basis of a risk assessment process, which included discussions with the Chief Officers of the States Departments in order to understand their risk perspectives and new programmes or ways of working expected to be implemented in the time frame. The audit activities will adopt a mixture of systems based or other techniques as appropriate to the area under review. In the conduct of its activities, internal audit will play an active role in promoting:

- the development and maintenance of a culture of accountability and integrity
- the integration of risk management into day-to-day business activities and processes, and
- a culture of cost-consciousness, self-assessment and adherence to high ethical standards.

### Taxes Office

Administration of the Income Tax and Goods and Services Tax Laws are entrusted to the Office of the Comptroller of Taxes. Annually the Comptroller of Taxes collects approximately 80% of total States' revenues from 107,000+ personal and corporate taxpayers.

The Taxes Office also administers the European Union Savings Directive Bilateral Agreements (EUSD) with 27 European Union countries. The administration and enforcement of Jersey's Double Taxation Agreements and Tax Information Exchange Agreements with OECD and G20 countries worldwide are also entrusted to the Comptroller, as Jersey's appointed Competent Authority. Additional duties of the Taxes Office also include:-

- advise the Treasury and Resources Minister, as required, on proposed amendments to the Income Tax Law and Goods and Services Tax Law and implement that policy efficiently and effectively
- continue compliance activities and the investigation of taxpayers who try to either avoid or evade tax properly due under the Income Tax and the Goods and Services Tax Laws and ensure that the taxes properly due are paid, in addition to any interest or penalties that the Comptroller has the power to levy under the Law
- ensure the prompt issuing of rulings to professionals and taxpayers to facilitate transactions with a tax content
- ensure the efficient and effective administration of the Income Tax and Goods and Services Tax Laws through the most proficient use of resources by training and developing staff to their fullest potential and utilising information technology to its fullest extent
- administration of all private occupational and retirement annuity pension schemes
- ensure that we continue to provide high quality service to all customers of the Taxes Office, whether they are taxpayers, professionals, the Treasury and Resources Minister, other politicians and officers in other States departments.

### Tax Policy Unit

The Tax Policy Unit (TPU) is responsible for developing and implementing changes to domestic and international tax policy matters, in close liaison with the Taxes Office. The key responsibilities of the TPU include:

- development of a long term tax policy
- design and implementation of changes to tax legislation to deliver those principles including revenue raising measures to the extent needed to meet fiscal policy
- advising Ministers on the implications of tax propositions brought to the States and international matters
- ensuring prompt response to questions raised by States Members
- identification of relevant partners and negotiation of tax agreements with those partners



- advising on and where necessary negotiating the terms of Jersey's involvement in international tax directives and conventions such as the European Union Savings Directive and the joint OECD/Council of Europe Multilateral Convention on Mutual Administrative Assistance in Tax Matters
- Jersey's representative in international tax meetings such as the Global Forum
- building relationships with key stakeholders both within and outside the States.

### Accounting Services

The Shared services team have responsibility for:

- payments to suppliers for all goods and services purchased by the States
- administering the receipt and payment of cash, including States housing rentals, income tax payments and court stamps
- renewing liquor licenses
- credit control and recovery of States debts
- paying all States employees correctly and on time
- disbursing monies deducted from employees' pay
- providing administrative services for PECRS Committee of Management and JTSP Management Board
- providing a pensions advisory service for members
- reconciliation and governance of States bank accounts
- corporate administration of all purchase cards
- Health & Safety and facilitating building related services, including internal messenger
- vault security and operational currency management for the Island.
- all staff, customer, supplier and general public interactions associated with the above activities.

The Corporate Group are responsible for providing professional financial advice to the Treasury and Resources, Chief Ministers and Economic Development. The services include:-

- management & statutory accounting
- assurance on financial governance and controls

Accounting Services are also responsible for supporting the Technical Working Group to develop options for further consideration on changes to public sector pension schemes in Jersey with the aim of ensuring that they are sustainable and affordable for the long term.

## RESOURCES

The main services provided by each section within Resources are as follows:

### Property Holdings

Jersey Property Holdings has two primary focuses. The first is to provide fit for purpose and affordable accommodation for all States' departments whilst also providing property which is, safe, legally compliant functionally and environmentally supportive of each department it houses, to support the delivery of improved services to the Public. This will be achieved through the management and ongoing maintenance requirements of the States property portfolio and delivery of capital replacement and improvement works.

JPH is also responsible for progressing a phased programme of rationalisation and consolidation of the States property portfolio, with the objective of reducing cost to the Public of property ownership; enabling greater efficiency of occupation; and to releasing latent asset value for alternative use.

These objectives are mutually supportive, as rationalisation of the estate will result in the release of disposal proceeds, deliver surplus sites with the potential for affordable housing development, and, by reducing the size of the gross built area maintained, reduce property operating costs.

JPH will seek to maximize rental income from those properties within the Public estate that are let on commercial terms to third parties. This additional revenue forms part of JPH's contribution to the ongoing CSR savings targets.

### Procurement

During 2011 as part of the Invest to Save Initiative £1.3 million was allocated to commence the procurement transformation programme. This is a three year programme and comprises three key work streams.

1. A programme of States wide procurement initiatives to deliver net savings of £6.5 million during the CSR timeframe
2. The organisation and development of a professional procurement function that is based upon category management. This model requires that procurement professionals / category managers are embedded in key areas of the business
3. The procurement and implementation of a modern procure to pay system.

The focus for corporate procurement during 2013 will be upon supporting all States' departments to deliver improved, cost effective and efficient public services by employing optimum procurement strategies in support of delivering CSR initiatives to release recurring cashable savings that will result in budget reductions. In 2013 the target for net savings is £3.5m.

Work will continue to embed the single procurement function and category management approach to procurement. Training initiatives will be explored in order to ensure that there is sufficient capacity and capability across the States to build a sustainable function.

Underpinning all of the above will be the design and implementation of an "Amazon style" procurement to pay solution that will compliment the e tendering system currently used within the States. The implementation of this solution will take place during 2013.

Key aims for procurement are:-

- organise the procurement function to ensure a visible, credible, commercial and professional service is delivered at the appropriate level within the organisation
- implement category plans and work with departments to deliver savings identified by CSR process required to meet reducing cash limits
- deliver improvements to the whole procure to pay process including policy processes and technology with the aim of improving compliance and driving out inefficiency in processes.
- develop procurement skills across the States of Jersey and build capacity within the organisation in order to support best practice procurement and sustainable savings.
- lead the development of a local supply base with appropriate departments and external organisations.

## OUR VALUES

We believe that the following six values are fundamental to how the States must develop. We will strive to deliver these values every day for our customers (the public), our partners and ourselves.

The Core Values reflect the values of the States. A process of engagement with staff at all levels within the States Treasury is planned to ensure that these core values are further developed to reflect the values and aspirations of all our staff.

Our values are:-

- we put the customer at the heart of everything we do
- we take pride in delivering an effective public service for Jersey
- we relentlessly drive out waste and inefficiency
- we will always be fair and honest and act with integrity
- we constantly look for ways to improve what we do and are flexible and open to change and
- we will achieve success in all we do by working together.

## Section 2(a) Key Objectives and priorities of the Treasury and Resources Department agreed as part of the States Annual Business Plan

### AIM

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Support the delivery of the States' strategic objectives by maintaining sustainable public finances, providing effective financial advice and managing States assets.

### SUMMARY OF KEY OBJECTIVES AND KEY SUCCESS CRITERIA

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#### Key Objective 1: Effective long term strategic and financial planning and sustainable public finances.

##### Success criteria:

- (i) Develop, implement and maintain a financial planning framework to ensure accurate forecasting and the setting of an overall financial envelope within which budgets are set – to include:
  - Medium Term Financial Plan
  - Long-term Capital Programme
- (ii) In conjunction with the Chief Minister's Department, continue to develop a robust strategic and business planning and performance framework ensuring firm linkages between financial and non financial information;
- (iii) Develop and gain approval of a Fiscal Strategy delivering:
  - balanced budgets over the economic cycle
  - a fiscal stimuli programme as necessary
  - measures to maintain low levels of inflation
  - necessary justifiable and sustainable taxes and charges
- (iv) Implementation of International Financial Reporting Standards (IFRS);
- (v) Effective monitoring, management and reporting on States investments;
- (vi) Maintenance and development of the Public Finances Law and associated governance arrangements.
- (vii) The affordability, sustainability and fairness of PECRS and JTSF Pensions Schemes reviewed and proposals for change brought forward and implemented.

##### Strategic Plan Reference:

- **Vision:** A strong and sustainable economy; Preparing for the future
- **Priorities:** Develop sustainable long-term planning
- **Priorities:** Reform health and Social Services

#### Key Objective 2: Improved monitoring and reporting of Financial Performance.

##### Success criteria:

- (i) Improved internal in-year financial performance reporting, forecasting, budgeting and analysis of both net revenue expenditure and capital expenditure;
- (ii) Financial assessment of major policy developments;
- (iii) Provision of information and advice to enable informed decision-making, thereby ensuring demonstrable value for money;
- (iv) Development of clear KPIs and other financial performance reports by which departmental Performance can be monitored, reviewed and improved.
- (v) Development of an active shareholder role in respect of States owned companies, delivering improved accountability and financial performance from companies, subject to funding;

- (vi) Production of Annual Accounts in accordance with International Financial Reporting Standards (IFRS).

**Strategic Plan Reference:**

- **Vision:** A strong and sustainable economy
- **Priorities:** Develop sustainable long-term planning

**Key Objective 3: Effective governance of funding designed to aid the economy.**

**Success criteria:**

- (i) Management of funds provided for Social Housing Schemes.

**Strategic Plan Reference:**

- **Vision:** A strong and sustainable economy; Preparing for the future
- **Priorities:** House our community

**Key Objective 4: Efficient and effective Treasury services.**

**Success criteria:**

- (i) Maintain and operate effective treasury management policies and investment strategies;
- (ii) Maximise financial returns on cash and investments whilst managing security and liquidity requirements;
- (iii) Effective management of the Island's currency;
- (iv) Maintain and develop governance arrangements to facilitate improvement in value for money and performance in respect of States trading departments, States companies, States funds and funds held in trust;
- (v) Effective management of States insurance;
- (vi) Maintain an effective control and compliance framework for Treasury Operations.

**Strategic Plan Reference:**

- **Vision:** A strong and sustainable economy; Preparing for the future
- **Priorities:** Develop sustainable long-term planning

**Key Objective 5: Efficient and Effective Financial Management and Financial Processing Services.**

**Success criteria:**

- (i) Improved external financial reporting;
- (ii) Maintain and develop a robust financial control and assurance framework across the States;
- (iii) Maintain and develop financial systems and processes;
- (iv) Pay States suppliers in accordance with agreed terms, conditions and policies;
- (v) Pay States employees in accordance with agreed terms and conditions;
- (vi) An effective cashing and accounts receivable service for the collection of States income charged for the provision of goods and services;
- (vii) Provision of services to support the administration of PECRS and Teachers pension schemes;
- (viii) Effective and efficient provision of a range of processing and back-office support services.

**Strategic Plan Reference:**

- **Vision:** A strong and sustainable economy
- **Priorities:** Reform government & the public sector; Develop sustainable long-term planning

**Key Objective 6: Long-term Tax Policy and Efficient and Effective Tax Administration and Collection.**

**Success criteria:**

- (i) Development and implementation of new Tax Policy and changes to current Tax Policy;
- (ii) Assessment, collection and enforcement of income tax and goods and services tax;
- (iii) Administration and enforcement of both sets of Jersey's international tax agreements.

**Strategic Plan Reference:**

- **Vision:** *A strong and sustainable economy; Preparing for the future*
- **Priorities:** *Develop sustainable long-term planning*

**Key Objective 7: Effective audit and risk management.**

**Success criteria:**

- (i) Agreed audit plan delivered in accordance with IIA Standards;
- (ii) Regular reports provided to the Audit Committee and C&AG;
- (iii) Risk management promoted and reviewed throughout the organisation to achieve "managed" status;
- (iv) Contribution to development and implementation of an effective Assurance Framework;
- (v) Review and appraise the soundness, adequacy, and application of accounting, financial and other operating controls, and promoting effective control at reasonable cost;
- (vi) Ascertain the extent of compliance with established policies, plans, procedures, laws, and regulations;
- (vii) Determine the extent of which the States assets are accounted for and safeguarded from losses of all kinds;

**Strategic Plan Reference:**

- **Vision:** *A strong and sustainable economy*

**Key Objective 8: Deliver allocated savings to contribute to achieving the £65 million Comprehensive Spending Review savings target by 2013 and deliver outline budget reduction programme for 2014 and 2015.**

**Success criteria:**

- (i) Sustainable, effective low cost services;
- (ii) Medium Term Financial Plan delivered within agreed Cash Limits.

**Strategic Plan Reference:**

- **Vision:** *A strong and sustainable economy; Preparing for the future*
- **Priorities:** *Reform government & the public sector; Develop sustainable long-term planning*

## Jersey Property Holdings

**Key Objective 9: A disposal programme which reduces the States' Property Portfolio to a size which is affordable and efficient, and releases capital proceeds for investment in addition to sites suitable for Housing development.**

**Success criteria:**

- (i) Improved asset utilisation and reduced property operating costs;
- (ii) The concentration of States' administration into fewer geographic locations and the development of new working environments which support more collaborative and efficient ways of working;
- (iii) The release of surplus or high alternative use value properties to provide funds to support capital investment, with a strong focus on progressing sites which may be developed for social rented or private sector housing.

**Strategic Plan Reference:**

- **Priorities:** *House our community; Reform government & the public sector; Develop sustainable long-term planning*

**Key Objective 10: Addressing building stock condition resulting from a legacy of under funding of maintenance and capital works.**

**Success criteria:**

- A significant reduction in “backlog” maintenance which has resulted from structural under-funding of property maintenance over a number of years, through the progression of remedial works in a phased and prioritised programme plan;
- The delivery of capital projects to replace assets which have deteriorated beyond reasonable repair, funded from proceeds generated by the disposal of property over and above that required to meet agreed capital proceeds targets;
- Capital projects commenced and completed on time and within budget.

**Strategic Plan Reference:**

- **Priorities:** *Develop sustainable long-term planning*

**Key Objective 11: Development and maintenance of a five year rolling Portfolio Plan.**

**Success criteria:**

- The continued consolidation of all property information, asset valuations and legal commitments in a single database;
- The identification of all future investment and asset management activity through the single comprehensive Integrated Property System.

**Strategic Plan Reference:**

- **Vision:** *Preparing for the future; Protecting the environment; A highly skilled workforce*
- **Priorities:** *Develop sustainable long-term planning*

**Key Objective 12: Continued development of the Jersey Property Holdings organisation.**

**Success criteria:**

- The introduction of new financial directions, policies and procedures to clarify all internal and external operating procedures for property transactions and utilisation;
- The completion of Health and Safety and supplier management training for all appropriate personnel;
- The development of service level agreements for all property users in conjunction with lease agreements, including customer satisfaction indices;
- Co-location of all Jersey Property Holdings staff.

**Strategic Plan Reference:**

- **Priorities:** *Reform government & the public sector*

## Procurement

**Key Objective 13: A single corporate procurement function across the States.**

**Success criteria:**

- The implementation of a procurement strategy;
- A procurement plan to deliver cash and efficiency savings across the States focussing on large corporate initiatives that will deliver maximum benefit to the States;
- Educate to improve procurement skills at departmental and operational level;



- (iv) Support the implementation of an e sourcing system and supplier portal across all departments;
- (v) Implement effective strategies, policies and procedures to support a corporate approach to the procurement of goods, services and works;
- (vi) Implement planning and performance management criteria in respect of the States' procurement activities;
- (vii) Promulgate best practice with regard to supplier management and work with Economic Development to develop capacity of local suppliers.

**Strategic Plan Reference:**

- **The Priorities:** *Reform government & the public sector*

**SECTION 2 (b) – ACTIVITIES, KEY PERFORMANCE INDICATORS, KEY RISKS**

\*DKO Ref - Departmental Key Objective Reference

**TREASURY****Total Staff: 198.1fte****Budget: £5,737,300**

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
<b>TREASURY OPERATIONS</b>						
1	To operate a comprehensive set of treasury policies including: <ul style="list-style-type: none"> <li>• cash management</li> <li>• lending</li> <li>• investment management</li> </ul>	Compliance with CIPFA best practice	Adherence to Treasury policies, processes and procedures	Ongoing	Loss of key staff	4 (i) 4 (ii)
2	Effective governance and management of States' investments and treasury matters	Quarterly meetings of the Treasury Advisory Panel  Review of all investment strategies  Development and implementation of specific investment strategies for smaller funds	Continued operation of governance arrangements  Existing Investment strategies reviewed and updated  Development of specific investment strategies for all funds with permanent assets in excess of £50,000	2013	Changes to membership of Treasury Advisory panel	4 (i) 4 (vi)

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
3	Manage and maintain the States Common Investment Fund	Maintain fund within published investments strategies  Monitor investment managers against agreed benchmark	Fund remains within investments strategies  Investment manager performance reported to TAP	Qtrly  Qtrly	Loss of key staff	4 (ii)
4	Improve Cash flow monitoring, reporting and forecasting	Cash balances  Interest Earned	Develop States cash flow forecast by March 2013  Minimal operational cash balances  Maximise interest earned on cash balances by effective investment	2013	Departmental support	4 (ii)
5	Promote the use of Jersey currency to increase circulation	Amount of Jersey currency in circulation	Increased circulation by RPI, compared to previous year	Ongoing	Co-operation of retail banks  Public demand for cash	4 (iii)
6	Arrange adequate and appropriate insurance for the States of Jersey assets	Monitor insurance claims and manage risks through the risk forum  Development of captive insurance arrangement	Maintain insurance cost within budget	Ongoing	Departmental support	4 (v)
7	Account for, monitor and report on the Common Investment Fund, the Pension Fund Investments, States	Quarterly accounts prepared for funds	Accounts prepared within 12 days of quarter end	Ongoing	Insufficient resources	4 (iv)

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
	Separately Constituted funds, other investments, loans and Charitable Funds	Accounting records processed and reconciled  Separately Constituted Fund Accounts prepared  Charitable fund accounts prepared  Prepare Pension Fund accounts for PECRS and JTSF	Accounting reconciliations completed each month  Accounts prepared in accordance with Financial Direction  Separate accounts prepared for funds with significant net assets	Ongoing (mthly)  Feb 2013  July 2013  June 2013	Custodian fails to deliver reporting  Reliance on other departments to supply data	4 (vi)  5 (i)  5 (vii)  5 (i)
8	Manage the transfer of JTSF investments into the Common Investment Fund and establish appropriate governance and reporting arrangements for the JTSF Management Board	Assets moved into CIF in line with timetable	Assets moved at minimum cost and in line with agreed timescale  Investment monitoring report provided to quarterly Management Board	June 2013  Qtrly	Legal review delays implementation	4 (iv)  5 (vii)
9	Develop and provide an administrative support to the new JTSF Secretarial arrangements including the distribution of Management Board papers	Timely distribution of papers to JTSF Management Board and sub-committees	Papers prepared and distributed to timetable	Qtrly		5 (vii)
10	Manage accounting and financial planning services for the Non-Ministerial departments	States annual accounts information prepared	Information prepared in accordance with the financial direction	Feb 2013	Insufficient resources	2 (i)

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
		Monthly budget maintained	Information provided on a timely basis	Ongoing (mthly)		
<b>ACCOUNTING SERVICES</b>						
11	Pay suppliers accurately, promptly and efficiently	Cost per invoice  Client feedback  Increased electronic transactions  Audit Report score  Compliance with FDs and Accounting policy (Corporate Performance)  Prompt payments (Corporate Performance)	Maintain or reduce compared to previous year  An average score of 3 or more from feedback questionnaires  Increased compared to previous year  Score of 3 or more  80% of paid invoices matched to orders and 60% GRN'ed  Reduce average time to pay invoices to 30 days	Ongoing (annual)  Ongoing (annual)  Ongoing (mthly)  Ongoing (annual)  Ongoing (mthly)  Ongoing (mthly)	External departmental cooperation  System and IT network integrity   Departmental support	5 (v)
12	Provide an accurate, prompt and efficient credit control service for States debt	Cost per invoice  Client feedback	Maintain or reduce compared to previous year  An average score of 3 or more from feedback questionnaires	Ongoing (annual)  Ongoing (annual)	External departmental cooperation  System and IT network integrity	5 (vi)

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
		Audit Report score	Score of 3 or more	Ongoing (annual)	Staff support	
		Reduction of internal debt over 90 days	10% reduction compared to same quarter in previous year	Ongoing (mthly)	Approval and implementation of proposed process changes	
		Reduction of external debt over 90 days	5% reduction compared to same quarter in previous year	Ongoing (mthly)	Departmental Support	
13	Provide an accurate, prompt, courteous and efficient Cashiering service including a timely and efficient service to the local clearing banks	Cost per transaction	Maintain or reduce compared to previous year	Ongoing (annually)	External departmental cooperation	5 (vi)
		Client feedback	An average score of 3 or more from feedback questionnaires	Ongoing (annually)	System and IT network integrity	
		Audit Report score	Score of 3 or more	Ongoing (annually)	Staff support	
14	Pay States employees accurately, promptly and efficiently	Cost per pay slip	Maintain or reduce compared to previous year	Ongoing (annual)	Timely receipt of accurate and complete data from HR officers and managers	5 (iv)
		Client feedback	An average score of 3 or more from feedback questionnaires	Ongoing (annual)	External departmental cooperation	

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
		Increased electronic transactions	Increased compared to previous year	Ongoing (mthly)	System and IT network integrity	
		Audit Report score	Score of 3 or more	Ongoing (annual)		
		Accuracy of payments made	99.5% accurate	Ongoing (weekly)		
15	Provide a pensions administration service to PECRS and JTSF in accordance with the Pensions Administration Agreement	Benefit payment errors	Less than 0.5%	Ongoing (weekly)	Insufficient support	5 (vii)
		Audit Report score	Score of 3 or more	Ongoing (annual)	Agreement by all States stakeholders	
		Client satisfaction	All service standards achieved	Ongoing (after agreed start date)	Staff support	
		Review and further develop communication materials for PECRS and JTSF	Progress against plan	Q4 2013		
16	Replace the Pensions Administration system for JTSF	Achieve progress against agreed plan and within agreed budget	Progress achieved within 1 month of agreed plan and within agreed budget	Feb 2013	Software supplier ability to provide solution to timescale	5 (vii)
17	Establish a robust and efficient pension administration service for the	Progress against the agreed transfer plan	Progress achieved within 1 month of agreed plan	Ongoing (mthly)	Insufficient resources	5 (vii)

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
	JTSF					
18	Implement new processes and reconciliations for the processing of PECRS and JTSF benefits to further improve systems of internal control	Progress against the agreed plan	Progress achieved within 1 month of agreed plan	Dec 2013	Staff availability	5 (vii)
19	Develop further the PECRS and JTSF websites	Progress against the agreed plan	Progress achieved within 1 month of agreed plan	Dec 2013	Software supplier reliability Staff availability	5 (vii)
20	AP Scanning review	Identifying and progressing the most effective AP Scanning and P2P solution	Progress achieved within one month of agreed plan	Dec 2013	Departmental support Staff availability	5 (iv)
21	Bank accounts and Balance Sheet reconciliations	Monthly reconciliations undertaken and reviewed	Reconciliations prepared within 15 working days of month end	Ongoing (mthly)	Staff availability System and IT network availability	5 (viii)
22	Develop and increase take-up of online payments	Quarterly increase in online payments	Roll out of new payments online within one month of agreed plan	Dec 2013	Staff availability	5 (vi)
23	Contribute to the development of a Procure to Pay system for the States of Jersey	Contribute to and assist in the delivery of the improvement agenda	Progress achieved within one month of agreed plan	Dec 2013	Staff availability	5 (iii)
24	Support the work of the Technical Working Group with the development	Contribute to and assist in the delivery of options for changes to	Progress achieved within one month of agreed plan	Dec 2013	Political / JNG / employer support for the	1 (vii)



1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
	of options for further consideration on changes to public sector pension schemes in Jersey with the aim of ensuring they are fair, sustainable and affordable for the long term	pensions schemes			proposals  Staff availability	
25	Delivery of Health & Safety requirements for Treasury	Progress against the agreed plan	Progress achieved within 1 month of agreed plan	Ongoing (mthly)	Staff availability	5 (viii)
26	Prepare monthly accounts for Treasury, Resources, CMD and EDD	Monthly accounts prepared	7 working days of month end	2013	Information is not understood by reader	2 (i)
27	Prepare quarterly returns for Treasury and Resources, CMD and EDD	Quarterly returns prepared	Last day in month after Quarter end	2013		2 (iv)
28	Prepare annual accounts for Treasury and Resources, CMD, EDD and other areas	Annual Accounts prepared	Within deadlines laid out in Financial Direction	2013		2 (vi)
29	Prepare, monitor, control and advise on departmental budgets for Treasury and Resources, CMD and EDD	Monthly forecasts prepared  Reports for each SMT	14 working days of month end  Monthly SMT date	2013	Forecasts provided are not accurate  Recommendations are not adopted	2 (i), (ii), (iii)
30	Provide compliance and financial advice to Treasury and Resources, CMD and EDD	Informed budget decisions and controlled departmental finances	Internal Audits score 3 or above  No errors within given timescales	2013	Recommendations are not adopted	7 (iv) 2 (iii)

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
<b>FINANCIAL PLANNING AND PERFORMANCE</b>						
31	Support sustainable long term planning objective within the Strategic Plan	Training on planning and long term planning for FAB, FMRG and Corporate Groups.  Assist Treasurer in the Long Term Planning Group	CIPFA Open Course provided In House for Long Term Financial Planning  Meet requirements of Treasurer for Long Term Planning Group	March 2013  Ongoing	Delay in output from Long Term Planning Group	1 (i), (ii)
32	Prepare a Long Term Revenue Plan for the period 2013-2020	Develop framework for LTRP  Manage publication  Support further development of longer term income tax forecasting  Support further development of longer term forecasts of other States income	In line with requirements set out by Treasurer  Subject to decision on timing of formal update of Financial Forecast	June 2013	Lack of data availability  Lack of clarity from information available	1 (i)
33	Prepare a Long Term Capital Plan for the period 2013-2038	Develop framework for LTCP  Manage publication  Change to 25 year plan	Enhancement of current draft to reflect Housing, Ports and Replacement Hospital proposals	June 2013	Delays in source plans	1 (i)
34	Assist with the preparation of the States 2014 Annual Budget	Manage capital projects input  Manage general revenues income	Budget prepared and lodged 6 weeks in advance of debate	Oct 2013	Departmental information not provided within agreed timescales	6 (i)

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
		input Manage growth allocation	Subject to TRM proposals to extend lodging period			
35	Support the completion of the CSR process 2013-2016 and the implementation of Public Sector Reform Programme	Monitoring of 2013-2016 CSR programme of savings Support Public Sector Reform Officer Group	Monitoring in line with Scrutiny requirements, including six months position statement	Sep 2013		2, 8
36	Develop proposals and options for funding mechanisms to support: <ul style="list-style-type: none"> <li>Health Strategy</li> <li>Housing Transformation</li> <li>Liquid Waste Strategy</li> <li>Any other infrastructure investments which may arise</li> </ul>	Project for providing suitable finance for the Replacement Hospital and Housing Transformation project Work on any potential creations of new infrastructure investments (legals, accounting and compliance) Monitor and ensure infrastructure investments meet their compliance requirements Preparation of accounting monthly, quarterly and year-end financial accounts for Infrastructure investments	Successful Bond launch Additional infrastructure loan made to a parish Rating for Jersey obtained	2013 project 2013-2015 implementation	Delay in authorisation process for funding proposals	1 (i),
37	Ensure consistent financial appraisal of all capital schemes and	Monitoring of funding for capital expenditure	Profiling of expenditure	2013		1 (i), (iv), 2

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
	development of programme 2014-2016, in support of the Budget and the Medium Term Financial Plan	Monitoring of cashflow of projects  Monitoring to ensure funds are spent in a timely manner  Establishment of standard business cases for all capital projects	Improved business case management and process  Linking of capital and expenditure			
38	Continue to develop and improve “in-year” financial forecasting	Simplify and homogenise Insight Corporate reporting structure  Reports improved to include balance sheet matters  Single page summary	Reduce reporting deadlines by two weeks  Improve balance sheet reporting by June 2013  Introduce summary by June 2013	2013	Unforeseen economic or service issues impacting on the accuracy of forecasting	1 (i), 2
39	Continue to develop and improve financial reporting to Corporate Management Board and Council of Ministers	Monthly and quarterly reports produced on a time and accurately  Reports enhanced to included balance sheet matters  Further education initiatives for departments, FMRG and FAB Weekly digest for FAB	Reduce reporting deadlines by two weeks  Improve balance sheet reporting by June 2013  Introduce digest by June 2013	2013	Departmental information not provided within agreed timescales	2
40	Prepare and implement structure and content for: <ul style="list-style-type: none"> <li>T&amp;R area of gov.je</li> </ul>	Update who’s who and who does what	Improved use of the T&R information available on line	2013	Lack of resources to implement revised web presence	

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
	<ul style="list-style-type: none"> <li>T&amp;R area of intranet</li> <li>We All Count website</li> </ul>	<p>Migrate We All Count site to Sharepoint</p> <p>Communication of changes to We All Count site via the website</p> <p>Advertise the content of We All Count</p>				
41	Support the Minister for Treasury and Resources in responding to States' Member and Scrutiny questions, hearings, reports and third party correspondence	<p>Ensure all questions and requests are dealt with in a timely way</p> <p>Sharing and making it easier to collaborate via Sharepoint</p> <p>Data store area for key links</p>	Implement Sharepoint site for team access	Oct 2013		2 (ii)
42	Review all States Propositions identifying potential financial consequences are identified to ensure whether T&R actions are required	Ensure that weekly Business meeting process identifies all States propositions requiring T&R comment or amendment	100% propositions reviewed	Ongoing		2 (ii)
43	Review all Council of Ministers papers identifying potential financial consequences	Ensure all papers fully identify financial consequences and bring these to the attention of the Treasurer as part of the weekly Business Meeting process	100% CoM papers reviewed	Ongoing	Reports may not be received to review	
44	Provide advice and information enabling the Minister and Treasurer to discharge their obligations under the Public Finances Law and other	Through the weekly Business Meeting and MD processes ensure that legal obligations are met	Production of reliable and effective advice to the Minister and Treasurer	Ongoing		1 (iv)

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
	legislation					
45	Develop and promote professional standards to improve financial expertise across States functions	Work with colleagues in FAB and FMRG to ensure the availability of training all staff and budget holders	Organise at least two training courses	2013		
46	Manage the States shareholdings	Support the T&R Minister and Treasurer in :- <ul style="list-style-type: none"> <li>• Voting at company AGMs</li> <li>• Preparation of decisions for States of Jersey Development Company</li> <li>• Management and Accounting for the Holding Company (States of Jersey Investments Limited)</li> <li>• Attendance and documentation of meetings with shareholding companies</li> <li>• Coordinate the valuation of strategic investments via a third party provider</li> <li>• Modify/revise existing Memorandums of Understandings as and when required</li> </ul>	Complete a timetable and manage deadlines to this timetable	2013 ongoing	Lack of information form States investments	2 (v)
47	Prepare and publish the States' Accounts in accordance with the Jersey Financial Reporting Manual	Ensure Accounts are published within statutory deadline and receive an unqualified Audit	Present 2012 Accounts to CAG for audit	March 2012	Compliance with Accounting Standards	2 (vi)

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
		Opinion	Present 2012 Accounts to States  Clean audit opinion	June 2012		
48	Develop the accounting standards used by the States of Jersey in line with agreed Accounting Standards Policy	Continue to update annually the Accounting Standards  Corporate approach on training, monitoring and compliance	Updated JFRoM  Organise quarterly training courses	Sep 2013  2013	Compliance with Accounting Standards	1 (iv)
49	Manage the publication of grant information	Publish information on significant grants to the States to comply with previous States decision and the Financial Direction on Management of Grants  News bulletin of key impact of Finance Directions on We All Count website	Comply with Financial Direction	2013 ongoing		
50	Review and improve the Financial Control Framework against best practice	Publish Financial Directions and review the Financial Control Framework for completeness  News bulletin of key impact of Financial Directions on the We All Count website	Complete review of all Financial Directions and re-issue to comply with latest best practice. Meet deadlines set by timetable	Dec 2013	Lack of resources to complete agreed workplan	1 (vi)
51	Prepare a Corporate Statement on Internal Control	Statement prepared annually for inclusion in the States Accounts	Statement prepared and agreed by Chief Executive and Treasurer	March 2013		1 (vi)

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
52	Maintain the integrity of the Chart of Accounts	Ensure the Chart of Accounts is regularly maintained to ensure a high quality of financial management and reporting	Review of Chart of Accounts completed	2013-2015	Departments request significant additional codes	2
53	Work with Strategic Investment companies and SoJDC to ensure compliance with MoUs and other regulatory framework documentation	Work with the project teams to develop and implement MoUs and governance arrangements for the potential incorporations of Housing and Harbours and Airports	Participation in project teams and publication of MoUs	2013-2014	Lack of information from Strategic Investment companies	2 (v), 4 (iv)
54	Account for, monitor and report on States Separately Constituted loan Funds, miscellaneous loans and Guarantees and letters of Comfort	<p>Quarterly management accounts prepared for funds</p> <p>Accounting records processed and reconciled monthly</p> <p>Separately Constituted Fund Accounts prepared annually</p> <p>Commence the tendering process for the appointment of a loan administrator</p> <p>Assist in the creation and management of any further new miscellaneous loans</p> <p>Management of letters of comfort and any changes to Guarantees</p>	Administration is managed according to overall governance arrangements	2013 ongoing	Lack of resources	4 (iv)



1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
		under housing trusts governing documents  Preparation of information for year-end financial accounts process				
55	Effective management and control of central contingency provisions	Contingencies reported separately  Increase narrative explanations  Report contingencies in line with monitoring agreed as part of Scrutiny of MTFP	100% adherence to published contingency policy  Implementation of contingency reporting	2013	Lack of clarity on calls on central contingency	2
56	Review impact of Freedom of Information on Department (Fol)	Coordinate IT options for data storage  Review file structure method	Understanding of the impact of Fol	June 2013	Affordability of proposals	2 (ii)
57	Manage the implementation of Tranche 3 of the Public Finances Law	Ensure tranche 3 of changes are lodged and successfully debated	Schedule of changes agreed by Treasurer for proposal to Council of Ministers	Sep 2013	Departmental support and resources	1 (vi)
58	Treasury input into Housing Transformation Project	Financial oversight  Treasury input into transfer  Risk management  Impact of monitoring and planning	Successful and effective accounting, financial processes and reporting of Housing Department	2013-2014	Departmental support and resources	1, 2 (ii), (iii)

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
59	Ports Incorporation	Financial oversight  Treasury input into transfer Risk management  Impact on monitoring and planning	Successful and effective accounting, financial processes and reporting of Ports Authority	2013- 2014	Departmental support and resources	1, 2 (ii), (iii)
60	Participate in the Finance Staff Group in implementation of its Learning and Development Strategy	Support We All Count initiatives such as Team Briefing	Participation in Finance Staff Group meetings	Ongoing		1,2
<b>INTERNAL AUDIT</b>						
61	Prepare and deliver all reviews in the agreed audit plan	That all reviews are complete and compliant with Public Sector Internal Audit Standards	All reviews complete by the end of quarter 1 2014	2013	Planned reviews being cancelled, unplanned reviews being requested or departments delaying the process outside of agreed reporting protocols	
62	Facilitate and record output from the Corporate Management Board risk work	Compliance with States policy on risk management	Mid year	2013	CMB not engaging with risk work	
63	Prepare and distribute a States' wide Assurance Framework	In line with best practice	September 2013	2013	CMB not engaging with the proposed assurance framework and undertaking their own line of assurance recording	

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
<b>TAXES OFFICE</b>						
64	Taxes Transformation Programme (TTP)					6 (ii)
(a)	Long Term Care (LTC) Charge  Implement the LTC charge component in partnership with Social Security Department (SSD) as part of the new long term care benefit scheme	Issue ITIS/LTC charge rate notices  Issue payment on account notices including LTC charge for taxpayers under direct billing  First monthly transfer of LTC charge receipts to SSD	November 2013  February 2014  Early March 2014	From January 2014	Funding and adequate resources (trained and skilled resources)	6 (ii)
(b)	Implement recommendations from Deloitte review  i) ITIS improvement  ii) Introduction of online filing for personal taxpayers with agents	i) Issue first estimated assessments for non filers (January 2013 period)  ii) Receipt of 'online' personal tax returns and usage	i) February / March 2013  ii) Mid 2013	2013	i) Timely delivery of ITAX system changes / development ii) As above	6 (ii)
65	Implement changes arising from Budget 2013	Legislation approved by States Assembly in 2012 implemented	Changes implemented by December 2013	Ongoing	None identified	6 (i) 6 (ii)
66	Implement changes arising from agreed 2013 CSR savings	CSR changes brought in within agreed timescales	CSR proposals delivered by December 2013	2013	None identified	6 (ii)

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
67	Pensions and Assurance – review Article 131 of the Income Tax Law and suggest appropriate amendments to the legislation to ensure that it fits with modern flexible pension arrangements	Appropriate legislation amendments are identified and proposals are considered for the 2014 Budget	Proposals put forward by September 2013	2014	Legislative changes are not agreed	6 (ii)
68	Undertake compliance with existing and new international Tax Information Exchange Agreements, Double Tax Agreements, the European Union Savings Directive Bilateral Agreements, the US Foreign Account Tax Compliance Act (FATCA) and FATCA type agreements through meetings with relevant Competent Authorities and the submission of specific exchange of information and retention tax	Information and retention tax exchanged with relevant international authorities  FATCA requirements to be monitored	Within 90 days of receipt of specific Tax Information Exchange Agreement request  30 <sup>th</sup> June 2013 for the EU Savings Directive Bilateral Agreements  FATCA to be arranged	Ongoing	Resources and funding : Incurring costs of appeal, if requesting authority fails to honour the terms covering reimbursements of costs  Reporting requirements not met by paying agents  Resources and funding	6 (iii)
69	As a member of the Global Forum on Transparency and Exchange of Information for Tax Purposes, provide assessors for the Peer Review assessment of the legal and administrative framework of the Global Forum jurisdictions for transparency and exchange of information	Peer Review agreed with the Global Forum and performed to the international standards of transparency and exchange of information for tax purposes	Work to deadlines agreed with Global Forum Secretariat and jurisdiction under assessment	Ongoing	Resources and funding	6 (iii)
70	Assess and collect tax revenues	Taxation collected during 2013	£538 million in income tax	Ongoing	Lack of trained staff and	6 (ii)

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
	<p>arising from :</p> <p>i) 107,000 + personal, non-company business taxpayers and corporate entities</p> <p>ii) The Goods and Services Tax Law</p>	<p>and % of tax collected</p> <p>Error rate on personal tax assessment</p> <p>Company tax assessments (where corporate tax rate &gt;0%) closed and issued</p> <p>Cheques over £15,000 banked on day of receipt</p> <p>Personal and Business tax assessments closed and issued</p> <p>Enhance current levels of compliance</p>	<p>and goods and services tax</p> <p>95% of 2012 income tax collected by 31 December 2013</p> <p>100% by end February 2013</p> <p>100%</p> <p>100% by end November 2013</p> <p>Receive 90% of returns within 3 months of due date</p>		resources	
71	<p>Continue compliance activities in areas such as claiming of non tax deductible expenses in business accounts and attempts to convert income into capital</p> <p>Investigate and collect back taxes and penalties from those who evade tax</p> <p>Prepare prosecution files for HM Attorney General in cases of heinous</p>	<p>Yearly statistics published in Taxes Office Annual Report</p> <p>Number of cases investigated, amount of settlement tax per annum</p>	<p>Statistics published by 31<sup>st</sup> December 2013</p> <p>£2.25 million in back taxes and penalties</p>	Ongoing	Lack of trained staff and resources	6 (ii)

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
	fraud and evasion					
72	Continue to list delay and contentious appeals at five meetings a year for the hearing and determination of the independent Commissioners of Appeal	Appeals heard by the Commissioners of Appeal	100% of appeals heard	Ongoing	Insufficient number of Commissioners available  Increase in number and complexity of appeals	6 (ii)
73	Continue programme of anonymous feedback from taxpayers and professionals on the quality of our service at the Help Desk, by post and through telephone contact	Anonymous feedback on level of service given	Improvement on level of service in previous years	Ongoing	None identified	6 (ii)
74	Contribute, together with colleagues from other relevant departments, to increase the tax take from high net worth individuals	Number of new high net worth individuals per annum	Increase in number of high net worth individuals  Statistics published by 31 <sup>st</sup> December, 2013	Ongoing	Other jurisdictions appearing more attractive	6 (ii)
<b>TAX POLICY UNIT</b>						
75	Research key priorities as set out in the 2013 Budget Statement, leading to recommendations to the Treasury Minister and proposed changes to the tax legislation	Completion of research, delivery of reports recommending action and where appropriate lodging propositions and legislation	By Budget 2014, completion of the reviews and recommendations. Proposals brought forward where appropriate during 2013 and 2014	2013/ 2014		6 (i)
76	Identify, develop and advise on important tax policy issues which	Completion of research and recommendations as required	Inclusion in the 2014 Budget Statement of the key tax	2013/ 2014		6 (i)

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
	support fiscal requirements not specifically identified in the 2013 Budget Statement		policy priorities to be addressed during 2014 and 2015			
77	Continued advice on tax related propositions and questions raised by States Members	Prompt and appropriate responses prepared to all propositions and questions raised	All propositions and questions dealt with in the prescribed deadline	2013		6 (i)
78	Continued negotiation of Tax Information Exchange Agreements and Double Tax Agreements	Successful negotiation signing of the agreements	Target for 2013 is signing of TIEAs with the remaining EU Member States and DTAs with 4 jurisdictions	2013	Achieving the target depends on the other jurisdictions willingness to negotiate. The outstanding TIEAs are with jurisdictions that have so far not engaged	6 (iii)
79	Continued monitoring and advice on the implications of international tax directives and conventions including possible implementation of those agreements	Appropriate advice delivered on a timely manner to the Minister and Council of Ministers as appropriate	In 2013 a decision will be required on whether Jersey signs a model 1 Intergovernmental agreement with the US relating to FATCA. A decision will also be required on the extent to which Jersey provides similar information to the UK. A decision may also be required in relation to Jersey's involvement in the joint OECD/Council of Europe Mutual Administrative Assistance	2013		6 (iii)

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
			Convention			



## RESOURCES

Total Staff: 48fte

Budget: £20,423,700

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
<b>PROPERTY HOLDINGS</b>						
80	Deliver a programme of capital projects in accordance with MTFP	The delivery of capital projects to replace assets which have deteriorated beyond reasonable repair. These to be funded from proceeds generated by the disposal of property over and above that required to meet agreed capital proceeds targets  Individual project plan time tables	Capital projects commenced and completed on time and within budget	2013 and ongoing	Building cost inflation higher than budgeted  Barriers identified in feasibility studies	10 (i), (iii)
81	Development and maintenance of a five year rolling Portfolio Plan	Approved asset management strategy for the overall portfolio and asset management plans for specific classes and sites	Office rationalisation - Phase 2 - Q2 2013  Transfer of Assets to SoJDC - protocol - Q1 2013  Office Rental Charging - Q1 2013  Staff key worker accommodation - Q1 2013	2013 and ongoing	Costs higher than anticipated  Market impact on deliverability of disposals via SoJDC  Availability of funding  Availability of internal resources to dedicate to asset projects	9

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
			Production of future use proposals for the following sites: i) Fort Regent - Q2 2013 ii) Indoor Market - Q1 2013 iii) Fire and Ambulance Station - Q2 2013 iv) Warwick Farm - Q1 2013 v) Howard Davis Farm - Q2 2013 vi) D'Hautree site - Q3 2013. vii) Overdale - Q3 2013			
82	A disposal programme which reduces the States' property portfolio to a size which is affordable and efficient, and releases capital proceeds for investment in addition to sites suitable for Housing development	Improved asset utilisation and reduced property operating costs  The concentration of States' administration into fewer geographic locations and the development of new working environments which support more collaborative and efficient ways of working  The release of surplus or high alternative use value properties to provide funds to support capital investment, with a strong focus on progressing sites which may be	Disposal in 2013 of the following properties: i) Former JCG ii) Les Quennevais/Clos des Sables Sale of Freeholds iii) Gorey Anchorage iv) Mont Mado Shed site v) Oxford Road Workshop vi) Quennevais Park Blocks G-H vii) 35 Clearview Street viii) 31 Kensington Place ix) Old Mill House x) 1 Don Terrace	2013	Market softens further - anticipated sale receipts not achieved  Political resistance to disposals  Planning approval not achieved to maximise value	9

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
		developed for social rented or private sector housing	xi) 25,27& 29 St James Street xii) Old Blacksmith's Store, Corbiere xiii) Ocean Villa, Havre des Pas xiv) Piquet House, Royal Square, St Helier xv) Maison d'Azette xvi) Field 107, Maufaunt xvii) Tevielka xviii) Alzola xix) Caroldene xx) St Mark's Adolescence Centre xxi) La Preference xxii) Brantwood xxiii) Ruxley xxiv) Field 424, Corbiere, St Brelade			
83	Establish a clear and unambiguous relationship with property occupiers	SLA's or leases/licences in place for all properties managed by JPH	All properties to have SLA's by Q4 2013	2013	Resources not sufficient  Tenant resistance to comply with obligations	12 (iii)
84	Achieve all due income and seek opportunities to increase return on assets	Undertake rent reviews when due  Actively seek opportunities to let surplus and underutilised assets	Meet or exceed budget income targets	Ongoing	Increase in doubtful debts due to economic circumstances  Community or other approved uses for	9 (i)

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
					properties below market rental	
85	Deliver a backlog Maintenance Programme	A significant reduction in "backlog" maintenance which has resulted from structural under-funding of property maintenance over a number of years, through the progression of remedial works in a phased and prioritised programme plan	Prioritised backlog maintenance programme based on the following criteria: <ul style="list-style-type: none"> <li>• Health &amp; Safety</li> <li>• Asset Preservation</li> <li>• Operational Continuity</li> <li>• Improvement Works</li> </ul>	Ongoing	Programme delays due to obtaining planning and bye-law permissions  Building cost inflation higher than budgeted	10
86	Delivery of Small Works Projects	Small works projects delivered on time and to budget with positive customer satisfaction rating	Individual project timetable deadlines met	2013	Resources to manage client funded projects not programmed	10 (iii)
87	Delivery of Compliance and Planned Preventative Maintenance (PPM) Programme	Meet target of all compliance level of 95% across all measured activities  PPM programme achieves a reduction in reactive maintenance	Ongoing works delivered in accordance with profiled budget	2013	Impact on resources of adding additional properties - H&SS, Home Affairs and 'Special Fund'	10 (i)
88	Continued development of the Jersey Property Holdings organisation	Review policies and procedures to clarify all internal and external operating procedures for property transactions and utilisation  Develop KPI's including customer satisfaction indices  Co-Location of Staff	Q2 2013  Q2 2013  Q3 2013	2013 and ongoing	Competing demands on internal resources	12

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
		Implementation of new structures for Estates and FM/Maintenance sections	Q1 2013			
<b>PROCUREMENT</b>						
89	Completion of high level category and savings plans for 2013	Timetable of procurement activity aligned with the CSR programme	Completed January 2013	2013	Insufficient data to identify key opportunities	5 (i), (iii) – (vi)
90	Align with the CSR and Public Sector Reform delivery teams to ensure the successful delivery of departmental and corporate projects and savings through a commercial, professional approach to procurement	Category plans in place and procurement strategies agreed:- for IS, FM and Infrastructure, Professional services and Health and Social Services categories	Projects in place by the end of 2013 that are expected to deliver £6.5 million of annual savings	2013	Unable to agree differentiation between corporate and departmental savings	5 (i), (iii) – (vi)
91	Deliver the transformation of the procure to pay system across the States - (Systems and Processes) in support of the Public Sector Reform Workstream (Back Office integration)	Procurement of a web based procure to pay solution  Design, implementation and roll out of IS solution in accordance with the plan  Creation of a change management team to support the business process change required for successful roll out to departments and commitment to use by suppliers	Complete first quarter 2013  Complete third quarter 2013  Team in place January 2013 - ongoing	2013  2012 - 13	Final business case is not accepted  Lack of resources to complete the programme of work in accordance with the plan  Competing priorities within departments impacts on delivery timeline	

1. BP Ref	2. Activity	3. Key Performance Indicators	4. Target	5. Imp Year	6. Key Risk	7. DKO* Ref
92	Deliver the transformation of the procure to pay processes across the States by embedding the use of the procurement toolkit and training staff engaged in the procurement activity	Procurement toolkit enhanced and developed to provide advice and guidance to all aspects of the procurement process  Departments using the toolkit	Ongoing	2013	Lack of resources to support the programme of work	5 (i), (iii), (v)
93	Communications / stakeholder engagement strategy and plan in place	Corporate Procurement Presence on internet. Appropriate multi media communications distributed to target audience on a regular basis	January 2013 strategy and plan in place. Regular updates to key stakeholder groups	Ongoing	Competing priorities impact on delivery	

## SECTION 3 – FUNDING AND RESOURCE ALLOCATION

### Financial Commentary

The Department's financial plan over the three years of the MTFP is to deliver its objectives largely within its existing resources, except for an additional £700,000 for Jersey Property Holdings necessary to maintain community health and social care facilities to an acceptable standard. The additional sum will support the States Strategic Priority "Reform Health and Social Services" by boosting the maintenance budget required to keep community buildings fit to deliver modern models of care, as described in the HSS White Paper 'Caring for each other, Caring for ourselves'.

The main changes from 2012 to 2013 have arisen due to the CSR process and service transfers between Treasury and Resources and Chief Minister's Department.

CSR savings and user pays schemes have been deducted from the Treasury and Resources departmental cash limit as follows:

- Treasury £463,000
- Taxes Office £212,000
- Jersey Property Holdings £750,000
- Procurement Department £ 25,000

The move to GAAP continues with an additional £1,500,000 planned to be transferred from capital to revenue for the backlog maintenance programme in Property Holdings.

In addition, £300,000 of non-recurring funding has been removed that was used to undertake property valuations for GAAP compliance and to implement IFRS in 2012.

Procurement savings totalling £840,600 have been deducted across the Department for initiatives such as facilities management property maintenance project and renegotiated corporate travel, contingent labour, advertising and mobile phone contracts.

There have been other transfers following changes of accountability for the Pension schemes, which has transferred £4,436,900 in from the Chief Minister's Department.

Other budget measures include reducing the PECRS Pre-1987 repayment term, by allocating a further £1,000,000 per year for the three years of the MTFP.

Further detail is provided in the "Reconciliation of Net Revenue Expenditure" table at the end of this section.

## Treasury and Resources

### Minister's Introduction

The Treasury and Resources Department consists of the following sections:

- Treasury functions;
- Taxes Office;
- Jersey Property Holdings;
- Corporate Procurement;
- Insurance; and
- Pensions.

The Minister also has responsibility for all contingencies in addition to his Departmental accountabilities.

The Treasury and Resources Department manages the Island's finances and assets, ensuring the protection and good use of public funds. It is responsible for all taxation, States budgets and financial policies. It also manages States property and represents the States shareholder interests in publicly owned companies.

The Department's financial plan over the three years of the MTFP is to deliver its objectives largely within its existing resources except for an additional £700,000 for Jersey Property Holdings necessary to maintain community health and social care facilities to an acceptable standard.

This additional sum will support the States Strategic Priority "Reform Health and Social Services" by boosting the maintenance budget required to keep community buildings fit to deliver modern models of care, as described in the HSS White Paper 'Caring for each other, Caring for ourselves'.

In addition to 'business as usual' during the MTFP period, the Department will:

- effectively manage insurance risks and make use of the improved contract terms to exceed its CSR savings target;
- provide professional procurement advice to departments to help them to secure savings and achieve better value for money;
- manage the balance sheet as well as the budget through continued improvements in the management of its property portfolio and returns on investments and strategic shareholdings;
- support Departments in achieving their strategic aims and delivering their infrastructure projects through funding advice;
- continue to improve financial performance reporting;
- support Departments in the move to longer term financial planning and the delivery of the MTFP;
- implement the Taxes Transformation Programme to improve the efficiency of tax administration and maximise the receipt of income due;
- Deliver a fair and affordable public sector pension scheme; and
- Keep tax policy under review in order to protect and grow island's economy.



The sections below expand on a selection of the more substantial projects which will be undertaken by the Department in the next three years in support of the States strategic priorities.

## Taxes

The MTFP assumes that there will be no substantial tax increases and no new taxes introduced during this period.

The Tax Policy team will focus on reviewing measures to safeguard revenues and simplify the tax regime, in line with the principles of 'low, broad and simple'. This will include:

- continuing to monitor and enhance the robustness of the income tax system with regard to corporate structures and to property ownership and development;
- reviewing the feasibility of moving to independent and current year taxation for all taxpayers; and
- continuing to monitor and respond to international tax standards.

Further details of specific measures will be included in the annual Budget Statements.

The Taxes Office will continue to implement its Taxes Transformation Programme (TTP) during this period which aims to modernise its operational processes.

The Taxes Transformation Programme is the action plan arising from the independent review of the tax functions within the States undertaken in the summer of 2010. The review focused mainly on the structure and activities of the Taxes Office but also considered its interaction with Customs & Immigration and the Social Security Department.

At the end of the review it was recommended that the States of Jersey embark on a Taxes Transformation Programme (TTP), to be supported by a dedicated implementation team to deliver what is a major 3 to 4 year modernisation and reform project of the Taxes Office.

The key deliverables of the TTP are:

- potential increases in tax revenues through improved collection of taxes due;
- agreed efficiency savings in Taxes Office for 2012 and 2013 in line with the CSR;
- introduce increased information powers and information sharing;
- implement self assessment in both Business and Personal Tax Divisions;
- simplify Personal Tax rates, allowances and exemptions where possible; and
- deliver effective, fit-for-purpose IS solutions across all Tax departments.

The TTP started in October 2011 with a 3 month phase of scoping, mobilisation and planning and also included some immediate work-related tasks which will have a major impact on the future shape of programme.

Early in 2012 it was agreed that the Taxes Office would take on responsibility, acting as agents of the Social Security Department, for the collection of charges to be paid into a ring fenced fund and used for new Long Term Care (LTC) provisions. Working with Social Security on the implementation of LTC contributions has been added as a component of TTP and is the number one priority.

## Property

Jersey Property Holding's (JPH) Property Plan and the Capital Programme are described in detail in the main MTFP report.

In summary, during 2013 to 2015, JPH will focus on continuation of the rolling programme of works to address the poor state of repair of the States of Jersey estate. Additional funds of £11.25m have been allocated to JPH for backlog maintenance for this period.

JPH will deliver CSR savings of £750,000 in 2013, by increasing rental incomes to reflect market rates.

The two key capital projects to be progressed in this period are the relocation of the Police into new facilities and the development of a full feasibility study for a replacement General Hospital, following the initial pre-feasibility work undertaken in 2012.

The office rationalisation programme, of which the Police relocation is the first phase, will continue through the period of the MTFP. This will free up sites for residential development and reduce the running costs of States office accommodation in the future.

JPH will be managing all other building projects which house public services on behalf of the sponsoring Departments as described in the capital programme.

## Procurement

Corporate Procurement will complete the roll out of its transformation programme which began in 2011 and comprised of 3 main activities:

- a programme of cross departmental procurement projects which together are targeted to deliver the £6.5m CSR savings;
- the organisation and development of a professional procurement function that is based on category management. This model requires that procurement professionals/category managers are embedded in the key areas of the business;
- the procurement and implementation of a modern procure-to-pay computer system which will complement the e-tendering system currently used within the States.

## Pensions

People are living longer which is increasing the cost of providing pensions. Employee and employer contributions into the public sector pension schemes have remained static for many years over which time the cost of providing the pension benefits has increased as people have been living longer.

It is necessary to ensure that pensions are affordable and sustainable for employees, employers' and the taxpayer. Changes to public sector pensions are required to ensure the pension schemes are sustainable for the long term and provide benefits that are appropriate for the way people live and work today. The public sector pension scheme landscape has changed both in Jersey and the UK and it is now necessary to consider changes that will provide sustainable public sector pension schemes for at least the next 25 years.

Public sector pension schemes in the UK are being reviewed following the publication of a report by the Independent Public Service Pensions Commission chaired by Lord Hutton. In mid 2011, a Technical Working Group comprising of representatives from the PECRS Committee of Management and Treasury was established to develop a report on possible options for changes to PECRS to ensure its viability and sustainability for the future. Options are being developed that aim to ensure PECRS is affordable and sustainable for the long term, have regard to the Hutton recommendations, facilitates continued membership of the Transfer Club and provides clarity over future arrangements for the sharing of risks and benefits between employer and employee. The Technical Working Group is also considering governance arrangements to ensure that best practice governance arrangements are in place for the future.

The Technical Working Group is aiming to bring forward options for changes to PECRS that would be implemented on 1<sup>st</sup> January 2015.

**Senator Philip Ozouf**  
**Treasury and Resources Minister**

## Treasury and Resources

## Net Revenue Expenditure - Service Analysis

2012 Net Revenue Expenditure	2013 Gross Revenue Expenditure		2013 Income	2013 Net Revenue Expenditure	2013 FTE	2014 Gross Revenue Expenditure		2014 Income	2014 Net Revenue Expenditure	2014 FTE	2015 Gross Revenue Expenditure		2015 Income	2015 Net Revenue Expenditure	2015 FTE	
	DEL £	AME £				DEL £	AME £				DEL £	AME £				
5,998,400	State Treasury	7,006,400	-	(1,269,100)	5,737,300	103.0	7,432,300	-	(1,303,000)	6,129,300	103.0	7,275,000	-	(1,426,700)	5,848,300	103.0
7,349,200	Taxes Office	6,317,400	931,500	(174,800)	7,074,100	95.1	6,351,000	1,261,000	(179,200)	7,432,800	95.1	6,386,400	836,400	(184,600)	7,038,200	95.1
20,115,800	Jersey Property Holdings	15,325,600	10,208,800	(5,575,100)	19,959,300	40.0	15,232,600	10,328,300	(5,729,800)	19,831,100	40.0	13,565,700	11,082,700	(5,888,300)	18,760,100	40.0
489,900	Corporate Procurement	507,900	-	(43,500)	464,400	8.0	507,800	-	(43,500)	464,300	8.0	507,800	-	(43,500)	464,300	8.0
2,709,100	Insurance	2,334,500	-	-	2,334,500	-	2,396,400	-	-	2,396,400	-	2,460,100	-	-	2,460,100	-
-	Pensions	5,571,900	-	-	5,571,900	-	6,747,800	-	-	6,747,800	-	7,931,700	-	-	7,931,700	-
36,662,400	Net Revenue Expenditure	37,063,700	11,140,300	(7,062,500)	41,141,500	246.1	38,667,900	11,589,300	(7,255,500)	43,001,700	246.1	38,126,700	11,919,100	(7,543,100)	42,502,700	246.1
(11,889,800)	Less: Depreciation	-	(11,140,300)	-	(11,140,300)		-	(11,589,300)	-	(11,589,300)		-	(11,919,100)	-	(11,919,100)	
24,772,600	Net Revenue Expenditure	37,063,700	-	(7,062,500)	30,001,200		38,667,900	-	(7,255,500)	31,412,400		38,126,700	-	(7,543,100)	30,583,600	

## Treasury and Resources

### Net Revenue Expenditure - Service Analysis

2012 Net Revenue Expenditure	2013 Net Revenue Expenditure	Increase/ (Decrease)	2014 Net Revenue Expenditure	Increase/ (Decrease)	2015 Net Revenue Expenditure	Increase/ (Decrease)
+ Depreciation £	£	£	£	£	£	£
5,998,400 States Treasury	5,737,300	(261,100)	6,129,300	392,000	5,848,300	(281,000)
7,349,200 Taxes Office	7,074,100	(275,100)	7,432,800	358,700	7,038,200	(394,600)
20,115,800 Jersey Property Holdings	19,959,300	(156,500)	19,831,100	(128,200)	18,760,100	(1,071,000)
489,900 Corporate Procurement	464,400	(25,500)	464,300	(100)	464,300	-
2,709,100 Insurance	2,334,500	(374,600)	2,396,400	61,900	2,460,100	63,700
- Pensions	5,571,900	5,571,900	6,747,800	1,175,900	7,931,700	1,183,900
<b>36,662,400 Net Revenue Expenditure</b>	<b>41,141,500</b>	<b>4,479,100</b>	<b>43,001,700</b>	<b>1,860,200</b>	<b>42,502,700</b>	<b>(499,000)</b>
(11,889,800) Less: Depreciation	(11,140,300)	749,500	(11,589,300)	(449,000)	(11,919,100)	(329,800)
<b>24,772,600 Net Revenue Expenditure</b>	<b>30,001,200</b>	<b>5,228,600</b>	<b>31,412,400</b>	<b>1,411,200</b>	<b>30,583,600</b>	<b>(828,800)</b>

# Treasury and Resources

## Net Expenditure - Statement of Comprehensive Net Expenditure<sup>1</sup>

2012 Net Revenue Expenditure		2013 Estimate	2014 Estimate	2015 Estimate
£		£	£	£
	<b>Income</b>			
-	Duties, Fees, Fines & Penalties	-	-	-
(6,609,300)	Sales of Goods and Services	(6,849,000)	(7,036,500)	(7,317,400)
-	Investment Income	-	-	-
(139,900)	Other Income	(213,500)	(219,000)	(225,700)
<b>(6,749,200)</b>	<b>Total Income</b>	<b>(7,062,500)</b>	<b>(7,255,500)</b>	<b>(7,543,100)</b>
	<b>Expenditure</b>			
-	Social Benefit Payments	-	-	-
13,994,500	Staff Costs	14,551,900	14,662,800	14,864,900
3,225,700	Supplies and Services	3,009,000	3,469,300	3,258,700
374,200	Administrative Expenses	437,300	437,300	443,000
13,779,800	Premises and Maintenance	13,751,400	13,673,800	12,020,900
117,100	Other Operating Expenses	179,800	182,300	184,900
-	Grants and Subsidies Payments	-	-	-
-	Impairment of Receivables	112,500	115,000	117,800
30,400	Finance Costs	5,021,800	6,127,400	7,236,500
-	Foreign Exchange (Gain)/Loss	-	-	-
-	Contingency Expenses	-	-	-
<b>31,521,700</b>	<b>Total Expenditure</b>	<b>37,063,700</b>	<b>38,667,900</b>	<b>38,126,700</b>
<b>24,772,500</b>	<b>Net Revenue Expenditure</b>	<b>30,001,200</b>	<b>31,412,400</b>	<b>30,583,600</b>
11,889,800	Depreciation	11,140,300	11,589,300	11,919,100
-	Impairment of Fixed Assets	-	-	-
100	Asset Disposal (Gain)/Loss	-	-	-
<b>36,662,400</b>	<b>Net Revenue Expenditure</b>	<b>41,141,500</b>	<b>43,001,700</b>	<b>42,502,700</b>

<sup>1</sup> The States Financial Report and Accounts for 2012 will be prepared under International Financial Reporting Standards (IFRS), and the format of this statement has been updated to be consistent with the formats required under these standards. Under IFRS the Operating Cost Statement (OCS) and Statement of Total Recognised Gains and Losses (STRGL) have been replaced by a single Statement of Comprehensive Net Expenditure (SoCNE). This statement includes gains and losses that have not yet been realised, such as revaluation gains on property Assets, but these items do not form part of Departmental Expenditure Limits, and so are not included in the MTFP. As a result the SoCNE above is equivalent to the Operating Cost Statement previously included.

## Treasury and Resources

### Reconciliation of Net Revenue Expenditure

	2013 £	2014 £	2015 £
<b>Base Department Budget</b>	<b>24,772,600</b>	<b>30,001,200</b>	<b>31,412,400</b>
Price Inflation - Dept Income	(168,700)	(191,700)	(196,500)
Price Inflation - Dept Expenditure	437,100	574,700	577,700
Price Inflation - Provision for Pay Award	60,000	70,000	75,000
<b>Commitments from Existing Policies</b>			
CSR Growth and Other Growth	(322,200)	(2,800)	(34,000)
Unallocated Growth Provision	59,000	391,000	(251,000)
<b>Department Savings</b>			
Department User Pays	(700,000)	-	-
<b>Departmental Transfers</b>			
Transfer of Staff Budget to Health	(88,900)	-	-
Transfer of Accounts Payable Staff to Home Affairs	(10,700)	-	-
Transfer of PECRS Pre 1987 Debt from Chief Ministers	4,436,900	-	-
Transfer of Caesar GST collection system maintenance to Chief Ministers	(13,300)	-	-
<b>Capital to Revenue Transfers</b>			
Property Holdings: Backlog Maintenance Programme	1,500,000	(500,000)	-
<b>Proposed MTFP Growth</b>	<b>630,000</b>	<b>70,000</b>	<b>-</b>
<b>Proposed Procurement Savings</b>	<b>(840,600)</b>	<b>-</b>	<b>-</b>
<b>Proposed Other Budget Measures</b>			
Reduce PECRS Pre 1987 Repayment Term to Reduce	1,000,000	1,000,000	1,000,000
Reduce Property Backlog Repairs and Maintenance (JPH)			(2,000,000)
<b>Net Revenue Expenditure</b>	<b>30,001,200</b>	<b>31,412,400</b>	<b>30,583,600</b>
Depreciation	11,140,300	11,589,300	11,919,100
<b>Net Revenue Expenditure</b>	<b>41,141,500</b>	<b>43,001,700</b>	<b>42,502,700</b>

## Proposed Capital Programme for 2013 - 2015

	£'000 2013	£'000 2014	£'000 2015
<b>Treasury &amp; Resources (inc. JPH)</b>			
39 Tax Transformation Programme & IT systems	-	500	-
40 Demolition of Fort Regent Pool	-	750	-
<b>Treasury &amp; Resources (inc. JPH) total</b>	-	<b>1,250</b>	-



<b>COMPREHENSIVE SPENDING REVIEW DEPARTMENTAL SAVINGS PROPOSALS</b>	<b>2011 Saving (£'000)</b>	<b>2012 Saving (£'000)</b>	<b>2013 Saving (£'000)</b>	<b>Total Savings (£'000)</b>	<b>Total FTE Impact</b>
<b><u>TREASURY AND RESOURCES DEPARTMENT</u></b>					
Savings in building maintenance	244			244	
Restructure architects to reduce by two posts.	120			120	2.0
Restructure Human Resources (HR) business partnering to reduce by one post	65			65	1.0
Reduce staff qualification programme	13			13	
Architects - consolidation of the design function	74	126		200	7.0
Technical delivery of telecoms, consolidation of existing Data Centres, plus central licence management	58			58	
Streamlined support model for corporate systems and services	82			82	
Restructure of procurement team		33	25	58	1.0
Restructure Corporate Infrastructure	144			144	2.0
Restructure business support to reduce by one post	60			60	1.0
Reduction of seasonal staff, an admin clerk and reduction in use of postal services	116			116	2.5
Reduced consultancy/temporary support and training	21			21	
Reduce number of audit days per annum by 17 (3%)	10			10	
Savings identified by the Taxes review		151	212	363	
Financial Change Programme - streamlined posts	55	45		100	1.0
Reduction of temporary resource - performance reporting, Financial Management Change Programme		60	8	68	1.0
Savings delivered through retendering of insurance arrangements including a review of annual payments into the fund	97	47	442	586	
Restructure management accounting support		28		28	
Savings will be achieved by a reduction in Audit Contract days		10		10	
Financial planning - efficiency savings		3	3	6	
Reduction in Audit Contract days			10	10	
Reduced bank charges and reduced staff due to less bank reconciliations	27			27	0.5
<b>SUB TOTAL: TREASURY AND RESOURCES DEPARTMENT</b>	<b>1,186</b>	<b>503</b>	<b>700</b>	<b>2,389</b>	<b>19.0</b>

<b>COMPREHENSIVE SPENDING REVIEW DEPARTMENTAL USER PAYS PROPOSALS</b>	<b>2011 User Pays (£'000)</b>	<b>2012 User Pays (£'000)</b>	<b>2013 User Pays (£'000)</b>	<b>Total User Pays (£'000)</b>
<b><u>TREASURY AND RESOURCES DEPARTMENT</u></b>				
Savings will be achieved through User Pays for non-core Estates Management		100		<b>100</b>
Increasing rents to market levels that are subsidised		200		<b>200</b>
Increasing rents to market levels and rationalising office space			400	<b>400</b>
Annual surplus from the markets			170	<b>170</b>
New ground lease charge to the Jersey Electricity Company (JEC)			180	<b>180</b>
<b>SUB TOTAL</b>	<b>-</b>	<b>300</b>	<b>750</b>	<b>1,050</b>

For further information visit

[www.gov.je](http://www.gov.je)

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