

TRANSFER OF FUNDS FROM THE COCF (AND THE PREVIOUS DTCF) TO THE HOME AFFAIRS DEPARTMENT FOR PREVIOUSLY APPROVED PROJECTS.

1. Purpose of Report

To enable the Assistant Minister to approve a recognition of income in the Home Affairs Department (HAD) and the subsequent transfer of funds from the COCF (and the previous DTCF) for previously approved projects.

2. Background

The COCF and DTCF were established under the Proceeds of Crime (Jersey) Law 1999 and the Drug Trafficking Offences (Jersey) Law 1988 respectively. These Funds hold monetary amounts confiscated under the relevant laws and asset sharing agreements following successful legal action before they are distributed in accordance with applicable legislation. The Drug Trafficking Offences (Jersey) Law 1988 was repealed on 4 August 2014 by the Proceeds of Crime and Terrorism (Miscellaneous Provisions) (Jersey) Law 2014. Article 50(5) states that any monies remaining in the DTCF should be transferred to the COCF.

Applications may be made to the COCF for projects which:

- prevent, suppress or otherwise deal with criminal conduct;
- deal with the consequences of criminal conduct;
- facilitate the enforcement of any enactment dealing with criminal conduct.

Applications were made to the DTCF for projects which:

- prevent or suppress drug trafficking or the misuse of controlled drugs;
- deal with the consequences of the misuse of controlled drugs;
- facilitate the enforcement of any enactment dealing with drug trafficking or the misuse of controlled drugs.

Responsibility for administering the Funds rests with Treasury and Resources Department.

3. Approval of income and transfer of funds

The projects detailed in Table 1 below have had previous approval by decisions (TR-2014-DD001) and (TR-2013-DD008). These included confirmation by the AG that the application of these funds met the requirements in Law.

HAD have requested a drawdown totalling £507,529 from the COCF/DTCF. This is to be recognised as income and added to the Department's approved revenue expenditure. Of this figure £458,626 is capital in nature and requires transfer into a HAD minor capital head of expenditure

Table 1

Home Affairs Department						
Projects funded from the COCF		Total	Drawdown	Current Drawdown		
		Approved	to Date	Total	Capital	Revenue
		£	£	£	£	£
SoJP	CCTV	569,000	70,515	339,485	311,985	27,500
SoJP	Counter Terrorism IT	50,000	-	50,000	50,000	-
SoJP	Jersey Asset Recovery Task Force	50,000	-	5,000	-	5,000
		669,000	70,515	394,485	361,985	32,500
Projects funded from the DTCF		Total	Drawdown	Current Drawdown		
		Approved	to Date	Total	Capital	Revenue
		£	£	£	£	£
JCIS	Office Modernisation (Portacabin)	91,300	-	91,300	79,782	11,518
JCIS	Covert Monitoring Post	64,691	42,947	21,744	16,859	4,885
		155,991	42,947	113,044	96,641	16,403
Total			113,462	507,529	458,626	48,903

4. Recommendation

The Assistant Minister is recommended to approve the HAD request for use of income of £507,528.90 received from the COCF/DTCF. Funds to be added to the Department's approved revenue expenditure and recognised as income for 2014.

The Assistant Minister is recommended to approve a non-recurring budget transfer of £458,626 from the HAD revenue head of expenditure to the HAD minor capital head of expenditure for projects detailed in the report which have previous approval.

5. Resource Implications

HAD income target budget and the HAD revenue head of expenditure to be increased by £507,529. The HAD revenue head of expenditure to decrease by £458,626 and the HAD minor capital head of expenditure to increase by an identical amount.

Report author : Business Manager	Document date : 15th October 2014
Quality Assurance / Review : Head of Decision Support	File name and path: L:\Treasury\Sections\Corporate Finance\Ministerial Decisions\DSs, WRs and SDs\2014-0126 - COCF application funding for HA projects\WR - Housing Development Fund Model Loan Agreement.doc

Decision Summary

Home Affairs Department

Ministerial Decision

Decision Reference: MD-HA-2014-0058			
Decision Summary Title:	Application of COCF and DTCF Funding to Home Affairs Projects in 2014	Date of Decision Summary:	23 September 2014
Decision Summary Author:	Finance Director Home Affairs	Decision Summary: Public or Exempt?	Public
Type of Report: Oral or Written?	Written	Person Giving Oral Report:	N/A
Written Report Title:	Projects Funded from the COCF and DTCF – Drawdown of Funds in 2014	Date of Written Report:	23 September 2014
Written Report Author:	Finance Director Home Affairs	Written Report : Public or Exempt?	Public
Subject: Rescindment of Ministerial Decision MD-HA-2014-0052 and the financial transactions required to facilitate the transfer of funds from the COCF (and the previous DTCF) to the Home Affairs Department for projects which have already been approved.			
Decision(s): The Minister: <ul style="list-style-type: none"> • agreed to rescind Ministerial Decision MD-HA-2014-0052; • agreed to seek the approval of the Minister for Treasury and Resources to use the income of £453,589 received from the COCF in 2014; • to seek the approval of the Minister for Treasury and Resources to use the deferred income of £53,939.90 received from the COCF/DTCF; • approved a non-recurring budget transfer of £458,626 from the HAD revenue head of expenditure to the Home Affairs minor capital head of expenditure; • agreed to seek the approval of the Minister for Treasury and Resources of a non-recurring budget transfer of £458,626 from the Home Affairs revenue head of expenditure to the Home Affairs minor capital head of expenditure. 			
Reason(s) for Decision: <ul style="list-style-type: none"> • Ministerial Decision MD-HA-2014-0052 did not include up to date financial information. • Applications for funding have previously been approved for Home Affairs projects from the COCF and the DTCF. • the Drug Trafficking Offences (Jersey) Law 1988 was repealed on 4 August 2014 by the Proceeds of Crime and Terrorism (Miscellaneous Provisions) (Jersey) Law 2014. Article 50(5) states that any monies remaining in the DTCF should be transferred to the COCF. • Article 19(1)(a) of the Public Finances (Jersey) Law 2005 states that if, during a financial year, the Minister is satisfied that the income of a States funded body is likely to exceed its estimated income, the Minister may authorise the body to withdraw from the consolidated fund during that year an amount not exceeding the likely excess of income. • Article 18(1)(c) of the Public Finances (Jersey) Law 2005 states that all or any part of the amount appropriated by a head of expenditure may, with the approval of the Minister for Treasury and Resources, be used for the purposes of another head of expenditure. 			
Resource Implications: Once the HAD income target budget and the HAD revenue head of expenditure have been increased by £507,529 an amount of £458,626 is to be transferred from the			

Decision Summary

HAD revenue head of expenditure to the Home Affairs minor capital head of expenditure.

There are no manpower implications.

Action required: Finance Director to seek the necessary approvals from the Treasurer of the States.

Signature:

B. L. Morgan

Position:

Minister for Home Affairs

Date Signed:

26TH SEPTEMBER, 2014

Date of Decision (if different from date signed):

Home Affairs Department Report for Minister

Subject: Projects Funded from the COCF and DTCF – Drawdown of Funds in 2014

Exempt Category: n/a

Date: 23 September 2014

Author: Finance Director

Introduction

The purpose of this report is to ask the Minister to:

- a) rescind Ministerial Decision MD-HA-2014-0052;
- b) seek the approval of the Minister for Treasury and Resources to use the income of £453,589 received from the Criminal Offences Confiscation Fund (COCF);
- c) seek the approval of the Minister for Treasury and Resources to use the deferred income of £53,939.90 received from the Drug Trafficking Confiscation Fund (DTCF);
- d) approve a non-recurring budget transfer of £458,626 from the Home Affairs revenue head of expenditure to the Home Affairs minor capital head of expenditure;
- e) seek the approval of the Minister for Treasury and Resources of a non-recurring budget transfer of £458,626 from the Home Affairs revenue head of expenditure to the Home Affairs minor capital head of expenditure.

Background

On 4 September 2014 the Minister signed Ministerial Decision MD-HA-2014-0052, Application of COCF and DTCF Funding to Home Affairs Projects in 2014. Unfortunately the financial information included in the Decision and supporting report was not up to date so it is now necessary to rescind that Decision and consider this revised report to support a new Ministerial Decision.

The COCF and DTCF were established under the Proceeds of Crime (Jersey) Law 1999 and the Drug Trafficking Offences (Jersey) Law 1988 respectively. These Funds hold monetary amounts confiscated under the relevant laws and asset sharing agreements following successful legal action before they are distributed in accordance with applicable legislation. The Drug Trafficking Offences (Jersey) Law 1988 was repealed on 4 August 2014 by the Proceeds of Crime and Terrorism (Miscellaneous Provisions) (Jersey) Law 2014. Article 50(5) states that any monies remaining in the DTCF should be transferred to the COCF.

Responsibility for administering the Funds rests with the Treasury and Resources Department which manages the application process.

Applications may be made to the COCF for projects which:

- prevent, suppress or otherwise deal with criminal conduct;
- deal with the consequences of criminal conduct;
- facilitate the enforcement of any enactment dealing with criminal conduct.

Applications were made to the DTCF for projects which:

- prevent or suppress drug trafficking or the misuse of controlled drugs;
- deal with the consequences of the misuse of controlled drugs;

- facilitate the enforcement of any enactment dealing with drug trafficking or the misuse of controlled drugs.

The Treasurer's approval is required for the financial transactions to facilitate the transfer of funds from the COCF (and the previous DTCF) to the HAD for projects which have already been approved. Details of the projects and expenditure are attached at Appendix A.

Income from the COCF and DTCF

Article 19(1)(a) of the Public Finances (Jersey) Law 2005 states that if, during a financial year, the Minister *[for Treasury and Resources]* is satisfied that the income of a States funded body is likely to exceed its estimated income, the Minister may authorise the body to withdraw from the consolidated fund during that year an amount not exceeding the likely excess of income.

Other Income

The accounting for capital grants changed in 2013, The Capital Grants Reserve is no longer used and grants are now recognised as revenue income, and then applied to expenditure and transferred to capital. A sum of £ 53,939.90 allocated from the DTCF under the previous accounting arrangements now needs to be released into the Home Affairs revenue accounts.

In accordance with paragraph 5.12 of Financial Direction 3.6, Variations to Heads of Expenditure, *'Income of States funded bodies over and above the estimated income notified to the States in the Annual Business Plan may be used automatically for additional expenditure over and above that approved in the Annual Business Plan as follows:-*

- *Where any such income and associated additional expenditure match in terms of purpose and/or amount.'*

Recommendations

It is recommended that the Minister:

- a) rescinds Ministerial Decision MD-HA-2014-0052;
- b) seeks the approval of the Minister for Treasury and Resources to use the income of £453,589 received from the COCF;
- c) seeks the approval of the Minister for Treasury and Resources to use the deferred income of £53,939.90 received from the DTCF;
- d) approves a non-recurring budget transfer of £458,626 from the Home Affairs revenue head of expenditure to the Home Affairs minor capital head of expenditure;
- e) seeks the approval of the Minister for Treasury and Resources of a non-recurring budget transfer of £458,626 from the Home Affairs revenue head of expenditure to the Home Affairs minor capital head of expenditure.

COCF and DTCF 2014 Drawdown

Appendix A

Home Affairs Department

Projects funded from the COCF		Total Approved	Drawdown to Date	Current Drawdown		
		£	£	Total £	Capital £	Revenue £
SoJP	CCTV	569,000	70,515	339,485	311,985	27,500
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SoJP	Jersey Asset Recovery Task Force	50,000	-	5,000	-	5,000
		669,000	70,515	394,485	361,985	32,500

Projects funded from the DTCF		Total Approved	Drawdown to Date	Current Drawdown		
		£	£	Total £	Capital £	Revenue £
JCIS	Office Modernisation (Portacabin)	91,300	-	91,300	79,782	11,518
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		155,991	42,947	113,044	96,641	16,403

Total			113,462	507,529	458,626	48,903
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Less Deferred Income (53,940)

453,589

