

Treasury and Exchequer Ministerial Decision Report



Allocations from Contingency to GHE and CYPES

1. Purpose of Report

To enable the Minister to approve the allocation of up to £385,000 in 2019 from Central Contingencies to Growth, Housing and Environment (GHE) and Children, Young People, Education and Skills (CYPES) as detailed below.

2. Background

An Investment Appraisal Board (IAB) has been established to review all funding requests and support the development of best practice in project development and evaluation, enabling better prioritisation and value for money across the Government. This is an important step in the development of a new investment framework across the Government underpinned by leading best practice.

All funding requests require a business case which has been designed using principles of HM Treasury's Five Case Model to ensure that a proportional and risk-focused approach can be applied across the Government. A single business case template now replaces several funding application routes that previously existed across the Government, providing a simpler, more efficient and more transparent approach.

The IAB is not a decision-making body. It considers evidence to support a funding request and makes a recommendation for funding to the Chief Executive Officer (CEO) and States Treasurer before the Minister for Treasury and Resources makes a funding decision and approval. Recommendations for funding are also circulated to the One Gov Officer and Political Board in advance of approval by the Minister for Treasury and Resources.

Based upon the evaluation of a business case and responses to further questions, the IAB recommends funding of up to £385,000 in 2019 for a number of initiatives as detailed below. Funding will be made available from Unallocated Reserves (Contingency).

Reference	Department	Division	Description	2019 £
IAB-19-015	Children, Young People, Education and Skills	Education	Independent review of School funding of Jersey's Education System	£ 250,000
IAB-19-017	Growth, Housing and Environment	Economy & Partnerships	Jersey Opera House - support to assist with increased technical, admin and staffing costs	£ 65,000
IAB-19-018	Growth, Housing and Environment	Economy & Partnerships	Jersey Arts Centre - new ventilation system and increased production costs	£ 70,000
Total				£ 385,000

3. Recommendation

The Minister is recommended to approve the allocation of up to £385,000 in 2019 from Central Contingencies as detailed above.

4. Reasons for Decision

Article 17(2) of the Public Finances (Jersey) Law 2005 states that the Minister for Treasury and Resources is authorised to approve the transfer from contingency expenditure or the insurance

fund of amounts not exceeding, in total, the amount available for contingency expenditure in a financial year.

The current Contingency Allocation Policy (published as R.38/2019) sets the requirement for all allocations from contingency to be considered by the Investment Appraisal Board, Principal Accountable Officer and States Treasurer prior to submission to the Minister for approval.

For requests over £100,000, the Minister of Treasury & Resources will provide the One Government Political Oversight Group (OneGovPOG) with a schedule of all funding decisions she is minded to make before making a final decision, seeking that Group's comments.

If the Minister is minded to approve a funding allocation, the draft Ministerial Decision will be circulated to the Council of Ministers five working days before a Ministerial Decision is signed and published.

The Board, Principal Accountable Officer and States Treasurer have recommended these requests for approval. OneGovPOG and the Council of Ministers have also been consulted.

5. Resource Implications

The revenue heads of expenditure of GHE and CYPES to increase by a total of up to £385,000 in 2019 and Central Contingencies to decrease by the same amount. Any unspent amounts from 2019 will not be available to be drawn down in 2020. This decision does not change the total amount of expenditure approved by the States in the Medium Term Financial Plan 2016 to 2019.

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