



# 2024 Business Plan – Treasury and Exchequer

## 2024 Business Plan - Treasury and Exchequer

Chief Officer: Richard Bell

Minister for Treasury and Resources: Elaine Millar

Assistant Minister: Ian Gorst

Information on department purpose, context and structure can be found on gov.je: [Treasury and Exchequer \(gov.je\)](#)

Information on department finances and resources can be found in the Government Plan Annex: [Government plan](#)

More detailed information of department plans can be found here: [Treasury and exchequer Business Plan](#)

### Key Objectives

Our key objectives for 2024 are:

#### Financial Action Plan

Improve value for money within the department for the services we provide to internal and external customers by implementing our Financial Action Plan, which includes delayering and curbing growth, removing unnecessary bureaucracy and ensuring the department is right-sized to provide proportionate governance and remove waste, and reduce reliance on expensive consultants.

#### Customer Satisfaction

By the end of 2024, make incremental improvements to customer experience scores (Effort, Satisfaction). Improvements to be measured each quarter and compared to prior year and government wide targets.

Examine feedback from internal customer satisfaction surveys for internal stakeholders during 2024 and plan possible improvements.

#### Improved strategic financial planning

Develop financial element of the Government Plan and Strategic Reserve Policy to a reduced timetable. Looking further, to improve strategic financial planning and the creation of an affordable and deliverable longer term capital plan and improve financial forecasting over a longer time period, to help inform decision making.

#### Support Strategic Projects

Support funding strategy creation for major and key projects and programmes across Government including New Health Facilities, the new Government Head Quarters building.

Support the successful lodgement of the New Health Facilities Funding Strategy, by identifying core requirements, acting as key contact point between the Treasury Advisory Panel, our debt advisor and the Treasurer, drafting and presenting analysis and supporting assertions and providing expert advice to properly support the lodgement.

#### Provide Financial Advice and Support

Provide dedicated Business partnering, commercial and procurement advice, support and guidance to major Government project teams (such as the New Health Facilities), Senior Responsible Officer and Political Oversight Group, to include:

- Support to Business Case development, revisions and review
- Governance advice to support financial stewardship
- Regular reporting and monitoring support

Provide financial advice, support and guidance to departments in the delivery of a prioritisation exercise (including savings, improved service effectiveness and better user outcomes) with HCS, CYPES and Estates rationalisation, consultancy and contingent labour being the focus in 2024.

#### Continuous financial systems improvement and Connect Upgrade

Delivery against the priority areas for the Connect Finance/Ariba Continuous Improvement Working Group will be the focus in 2024.

Establish the standard regression test scripts for the first upgrade of the S4 Hana software used by Connect Finance and support M&D's upgrade of the system.

## 2024 Business Plan - Treasury and Exchequer

### Debt Management

During 2024, progress debt management activity to reduce the crystallised debt outstanding. To deliver incremental improvements to the debt management processes for the collection of tax, social security and invoiced debt to improve the Governments' cash flow.

### Deliver key tax changes

In respect of the move to independent taxation for all couples from tax year 2026, adopted by the States in April 2024, devise computer system requirements, develop a new joint tax return for 2026, continue providing the option for couples to elect for independent taxation before 2026, and prepare communications for Islanders affected by the changes.

Prepare for the election and collection of Prior Year Basis tax from 2026 and payment from 2027.

Automatic exchange of information legislation will be lodged with the States Assembly, intended to ensure that Jersey's domestic law implementing the Common Reporting Standard, is fully in line with international standards. A review will be undertaken to identify ways to ensure that the domestic implementation of automatic exchange of tax information rules operate as efficiently and effectively as possible.

Working with the Ministry of External Relations, industry will be consulted on the domestic implementation of the OECD's amendments to the Common Reporting Standard and on the introduction of the Crypto Asset Reporting Framework.

In Budget 2025-2028, a new category of excise duty relief for small producers of craft spirits is proposed. This will be complimented by a proposal to increase the maximum amount that can be made by a small producer to qualify for the lower duty rate – from 10,000 litres of pure alcohol over 5 years, to 40,000 litres annually. These changes will allow more local businesses to benefit from the reduced duty rates and provide them with room to grow their business.

Other measures in the Budget include group relief for stamp duty, which would allow companies within the same corporate structure to transfer properties between themselves without incurring full stamp duty charges. Bicycle retailers will benefit from a second-hand bicycle margin scheme for GST, and a £1 million cap will be proposed in respect of the DIY home builders GST scheme, ensuring that refunds remain targeted to individuals personally building an average house.

The Budget also provides updates on ongoing tax reviews, including:

- **Net Zero Financing Strategy for the Carbon Neutral Roadmap** – ensuring sufficient funding for our transition to net zero by 2050.
- **Carbon Tax or Charge on Private Aircraft** – continuing engagement with Ports of Jersey to consider the options for a tax or charge on private aircraft.
- **Fuel Duty Replacement Policy** – devising alternative charges to fuel duty, which is expected to decline naturally as cars become more fuel efficient and more Islanders choose electric vehicles.
- **Debt Interest Deductions for Residential Letting Properties** – examining the case for removing the ability to claim deductions for interest paid in respect of residential letting properties, following a previous Government Plan amendment.
- **Taxing Vaping Products** – studying the potential role of taxation in reducing vaping by children and young people.
- **“Tap relief” for licensed premises** – creating law that would allow future Governments to set a different rate of duty for qualifying alcohol sales made on licenced premises.
- **Review of International Services Entities (ISEs)** – a limited review of the ISE regime, with a view to simplifying the law and the fee structure.

### Implement Pillar 2

## **2024 Business Plan - Treasury and Exchequer**

Continue work to prepare for implementation of Pillar 2 in Jersey through the introduction of an Income Inclusion Rule and Multinational Corporate Income Tax for accounting periods beginning from 1 January 2025, in line with the joint statement made by the Crown Dependencies in May 2024. In addition to preparing legislation for debate, work is ongoing to prepare and deliver the necessary IT systems for administration and compliance functions, upskilling and recruitment of staff, stakeholder engagement locally and abroad, and preparation for a bespoke customer service team.

Monitor the global implementation of Pillar 2 in order to protect Jersey's ongoing competitiveness.

Continue to participate in the development of the Pillar 2 framework at the OECD, particularly with regard to minimising interpretation issues amongst implementing jurisdictions and creating dispute resolution mechanisms.

Ongoing participation in the OECD Inclusive Framework to monitor progress of Pillar 1 and any impacts to Jersey.

### **Debt issuance**

The long term funding strategy for the hospital includes the issuance of up to £500m of long term debt. Although the issuance of long term debt is approved in the GP, the revolving credit facility provides the flexibility for when that long term debt will be issued to allow Treasury to access the market at the most opportune time.

Debt will be issued in line with the Debt Framework for Jersey to ensure a sustainable structure to meeting the Island's needs whilst minimising the total funding costs over the medium to long-term, consistent with a prudent degree of risk, but at the same time retaining flexibility to react to unknown future events.

## **Service Performance Measures**

Our service performance measures for 2024 are:

**90% of invoiced debt recovered within 90 days**

**80% supplier invoices paid within 30 days and average number of days**

**5 year moving average % increase in shareholding value year on year**

**Rate of return of investment portfolio vs benchmark - Outturn % (% above/below target) - 3 year performance**

**Cost to collect £1 of revenue ( $\leq$ 1pence)**

**>50% of personal tax returns completed online**

**Average time to answer Personal Tax calls (year to date) (<8 mins)**

**95% of customer calls answered (excluding Personal Tax)**

**Personal tax returns - 80% assessed within 30 days (year to date)**