

Treasury and Exchequer Ministerial Decision Report

ALLOCATION OF RESERVE FUNDING FOR PRESSURES IN 2024.

1. Purpose of Report

To enable the Minister to approve the allocation of up to £2,947,000 from the Central Reserve to various heads of expenditure as detailed in the table below.

2. Background

The Government Plan 2024-27 included £2.9 million within the Central Reserve relating to growth items originally approved in the Government Plan 2023-2026. This reflected continuing uncertainty over either the amount or timing of the spend.

Business cases have been produced demonstrating that the ring-fenced funding is required for its intended purpose, and this decision allocates the relevant amounts to departmental heads of expenditure.

Table 1 – Proposed Release of Funding Held Centrally

IA Ref	Title	Head of Expenditure	2024 Up to
IA24-019	School Meals	CYPES	£1,611,000
IA24-013	Inflation - Sports Income	Infrastructure	£500,000
IA24-013	Inflation - Hydrocarbons and Fuels	Infrastructure	£836,000
			£2,947,000

Funding ringfenced for these purposes is intended to only be allocated where departments are unable to meet the identified costs from within existing expenditure limits. Accordingly, Treasury and Exchequer will continue to monitor departmental expenditure and amounts allocated may reduce if it becomes apparent that costs can be met from within existing budgets.

Children, Young People, Education and Skills (CYPES) – School Meals – up to £1,611,000

The Council of Ministers set aside £1,611,000 in the Government Plan 23-26 to meet the costs of rolling out an Island-wide school meals initiative, accessible to all primary school Jersey pupils in public education. The Minister for Education and Lifelong learning made the provision of school meals a Common Strategic Policy Priority in 2024.

The funding of the initiative will be used towards the additional catering staffing costs incurred to distribute meals, the costs of purchasing meals and providing free fruit, additional energy costs and other shipping, utilities and equipment expenditure.

Funding was held in the Central Reserve in 2024, subject to the final costs of the initiative being available. Whilst some costs can be met by the department, this allocation will be released to reduce the impact on departmental net revenue expenditure.

Infrastructure – Sports Income - up to £500,000

The Council of Ministers set aside £500,000 in the Government Plan 23-26 to meet forecast income deficits in the Sports Division of the Department for Infrastructure and Environment. This funding remained held in the Central Reserve in 2024, subject to confirmatory information being made available. As such actual receipts have been lower than forecast and there remains a deficit. This allocation will be released to reduce the impact of this on departmental net revenue expenditure.

Infrastructure – Hydrocarbons and Fuels - up to £836,000

The Council of Ministers set aside £836,000 in the Government Plan 23-26 to meet increased inflationary prices in the purchase of hydrocarbons and fuels and electricity used across the estate.

Funding for the same purposes was provided in 2023 and has remained held in the Central Reserve in 2024 subject to confirmatory information being made available. As such, fuel and electricity prices have remained higher than expected and there remains a deficit. This allocation will be released to reduce the impact on departmental net revenue expenditure.

3. Recommendation

The Minister is recommended to approve the allocation of up to £2,947,000 in 2024 from the Central Reserve to various heads of expenditure in 2024, as detailed in the table above.

4. Reason for Decision

Article 15(3) of the Public Finances (Jersey) Law 2019 states that the approval by the States of a Government Plan authorises the Minister to direct how an approved appropriation for a reserve head of expenditure in the plan may be spent (including on another head of expenditure) in the first financial year covered by the plan.

The current Policy for Allocations from the Reserve, presented to the States Assembly as R.76/2022, sets out the requirements for allocations from the Reserve for Centrally Held Items. These requirements have been met and the Treasurer now recommends these allocations to the Minister for Treasury and Resources for approval.

5. Resource Implications

In 2024 the following Heads of Expenditure will increase:

- Children, Young People, Education and Skills by up to £1,611,000.
- Infrastructure by up to £1,336,000.

In 2024 Central Reserve Head of Expenditure will decrease by up to £2,947,000.

This decision does not change the total amount of expenditure approved by the States in the Government Plan 2024-27

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