

**THE STATES OF DELIBERATION**  
**of the**  
**ISLAND OF GUERNSEY**

5<sup>th</sup> June, 2018

**Proposition P.2018/45**

**AMENDMENT**

Proposed by: Deputy E A Yerby  
Seconded by: Deputy D A Tindall

**POLICY & RESOURCES COMMITTEE**

**THE POLICY & RESOURCE PLAN (2017 REVIEW AND 2018 UPDATE)**

After Proposition 3, to insert the following proposition:

- "4. To direct the Policy and Resources Committee:
- a) to re-evaluate the criteria for access to the Transformation and Transition Fund (currently "significant long-term transformation in the delivery of services, evidenced and measurable benefits, and a return on investment");
  - b) to re-evaluate the internal processes governing applications for release of funding from the Fund;
  - c) to consider whether the criteria and processes surrounding the Fund are fit for purpose, in terms of promoting timely and effective support for transformation and transition projects across the States; and
  - d) to make recommendations in the 2019 Budget report for any changes which may be required to the criteria and processes surrounding the Fund, in order better to achieve its purpose."

**EXPLANATORY NOTE**

The Transformation and Transition Fund was established in 2014, as part of the 2015 Budget Report (paragraphs 5.19 to 5.31). The argument for the Fund, in that report, was based on there being:

- "a requirement for continued investment to continue the programme of transforming the delivery of public services,"
- "longer term transformation of services in the Health and Social Services Department, Education Department and Home Department [which...] may require short term transitional funding to support their delivery," and
- a "programme being developed by the Chief Executive [the Public Sector Reform Programme]" which would "undoubtedly require investment in the early stages."

The Fund started with a budget of £26.7m (including transfers from the Fundamental Spending Review Fund and the Strategic Development Fund). About half the balance of the Fund (£12.4m) has been prioritised across a range of areas, but only £5.5m has been approved, and only £3.4m spent, according to the Appendix. At 31 December 2017, after three years of operation, the balance of the Fund was £23.3m (or 87% of its original level).

Anecdotally, it seems that Principal Committees face significant barriers to accessing finance from the Transformation and Transition Fund to support initiatives which should fall within its scope. This would appear to be substantiated by the slow rate of spending on the Fund. Four years after the establishment of the Fund, it is timely for P&R to review how it operates, and whether the processes and criteria surrounding it are effective, or whether they inhibit it achieving its intended function.