

STATES OF DELIBERATION**30th January, 2013****Billet d'État No. I
Article 8****AMENDMENT**

Proposed by: Deputy M. J. Storey
Seconded by: Deputy L. S. Trott

Policy Council**Financial Transformation Programme**

To insert a Proposition between Propositions 3 and 4 as follows:

“3A. To agree to set all FTP savings against the fiscal deficit and not utilise them to fund new services until the fiscal deficit has been eliminated.”.

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Article 8****AMENDMENT**

Proposed by: Deputy P A Harwood

Seconded by: Deputy J P Le Tocq

Policy Council**Financial Transformation Programme**

1. To re-designate the second Proposition numbered 2 and the Propositions numbered 3 and 4 as Propositions 3, 4 and 5 respectively.
2. In the re-designated Proposition 3, to delete “this” and substitute “that”.

EXPLANATORY NOTE

This amendment is required to correct a typographical error in Propositions 2 and 3 of Article 8.

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Article 8****AMENDMENT**

Proposed by: Deputy H J R Soulsby
Seconded by: Deputy M K Le Clerc

Policy Council**Financial Transformation Programme**

To add the following Proposition:

6. To direct the Policy Council to provide the Public Accounts Committee with copies of its Financial Transformation Programme status reports, as described in paragraph 7.11, as soon as practicable subsequent to the reports being considered by the Policy Council.

Explanatory Note

Paragraph 7.11 of the 'Financial Transformation Programme' report contained in Billet d'État No.1 of 2013 states:

“The Policy Council currently receives quarterly reports which summarise the status of the programme, delivery in the last period, the risk and issues facing the programme teams and any decisions required by the Council”.

Part of the mandate of the Public Accounts Committee is to ensure that proper scrutiny is given to the States' assets, expenditure and revenues to ensure that States' bodies operate to the highest standards in the management of their financial affairs.

The Committee wishes to be provided with copies of the Financial Transformation Programme report to enable it to provide scrutiny to the Programme on an ongoing basis.

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Article 8****AMENDMENT**

Proposed by: Deputy M J Fallaize
Seconded by: Deputy C J Green

**Policy Council –
Financial Transformation Programme**

To delete the full stop and add the following words to the end of Proposition 2:

“, and in order to strengthen scrutiny of, and accountability for, that approach to the delivery of the Programme to direct that:

- a) the Public Accounts Committee and the Scrutiny Committee shall jointly examine the Programme;
- b) the Committees shall agree their precise terms of reference and publish them by no later than March, 2013 and shall give consideration to including within their terms of reference examination of the effectiveness, impact and risks of the Programme;
- c) as part of their examination of the Programme the Committees shall give consideration to holding a public hearing or hearings to which relevant parties shall be invited to make submissions;
- d) the Committees shall present the findings of their examination to the States of Deliberation as expeditiously as possible but in any event by no later than March, 2014.”

SUPPLEMENTARY NOTE

All of the Amendments to the Propositions on Article 8 to be proposed by Deputy Fallaize assume that in advance of their being laid the Amendment to be proposed by Deputy Harwood and seconded by Deputy Le Tocq shall have been debated and carried by the States of Deliberation and, ergo, the Propositions shall have been re-numbered.

STATES OF DELIBERATION**FALLAIZE B****30th January, 2013****Billet d'État No. I
Article 8****AMENDMENT**

Proposed by: Deputy M J Fallaize

Seconded by: Deputy C J Green

**Policy Council –
Financial Transformation Programme**

To delete the full stop and add the following words to the end of Proposition 2:

“, and in order to strengthen scrutiny of, and accountability for, that approach to the delivery of the Programme to direct that by no later than May, 2013 the Public Accounts Committee and the Scrutiny Committee shall jointly lay before the States of Deliberation a States Report setting out how they intend to strengthen scrutiny of, and accountability for, the Financial Transformation Programme during the remaining years of the Programme, namely 2013 and 2014.”

SUPPLEMENTARY NOTE

This amendment, denoted ‘Fallaize B’, shall be laid in the event that the amendment denoted ‘Fallaize A’ shall have been debated and defeated by the States of Deliberation. This amendment shall not be laid in the event that the amendment denoted ‘Fallaize A’ shall have been debated and carried by the States of Deliberation.

All of the Amendments to the Propositions on Article 8 to be proposed by Deputy Fallaize assume that in advance of their being laid the Amendment to be proposed by Deputy Harwood and seconded by Deputy Le Tocq shall have been debated and carried by the States of Deliberation and, ergo, the Propositions shall have been re-numbered.

STATES OF DELIBERATION

30th January, 2013

**Billet d'État No. I
Article 8**

AMENDMENT

Proposed by: Deputy P L Gillson

Seconded by: Deputy M J Fallaize

Policy Council –

Financial Transformation Programme

To add a new proposition 2A as follows –

“2A. To require the Policy Council, in delivering the Financial Transformation Programme (“FTP”) and in presenting its annual reports on progress with the delivery of the States Financial Transformation Programme:

a) to categorise the savings made in the following manner -

1. efficiency savings,
2. service cuts,
3. increased fees and charges,
4. transferring costs to non-government bodies through the reduction in grants or subsidies,
5. internal financial transfers,

b) to include details of the savings each Department has made in order to achieve the Financial Transformation Programme Targets contained in each annual Budget, which must include identifying and analysing in particular, those which are recurring savings, and therefore can be attributable toward the FTP total, (including an indication of the number of years they are expected to recur), and those savings which are “one-off” savings.

Explanatory Note:

The FTP is often described as producing “savings” when clearly some of the £31 million could instead be described as increased fees or charges, or reductions in services. This in itself is not wrong, there are many services for which it is appropriate for Government to charge and recover

its costs. However, in order to have a fuller and clearer understanding of the impact of the FTP the savings should be analysed and categorised as above.

The underlying aim of the FTP is to reduce the annual, ongoing cost of Government by at least £31m, however as part of the 2012 and 2013 budgets, single line “FTP General Efficiency Targets” (renamed “Financial Transformation Programme Targets” in the 2013 budget), were introduced which reduced the departmental budgets. Department are expected to achieve these saving either through FTP savings or other savings and the amendment in b) requires that the savings made to remain within budget are clearly identified and analysed between recurring and non-recurring savings.

STATES OF DELIBERATION30th January, 2013FALLAIZE C**Billet d'État No. I
Article 8****AMENDMENT**

Proposed by: Deputy M J Fallaize
Seconded by: Deputy H J R Soulsby

**Policy Council –
Financial Transformation Programme**

I. To delete the full stop and add the following words to the end of Proposition 4:

“, and to clarify that as part of that governance structure political accountability to the States of Deliberation for the Financial Transformation Programme is as follows: the Policy Council is accountable to the States of Deliberation for changes of policy, new policy initiatives and operational changes which fall within the Council’s mandate; States Departments are accountable to the States of Deliberation for changes of policy, new policy initiatives and operational changes which fall within their mandates; and the Policy Council and States Departments are jointly accountable to the States of Deliberation for changes of policy, new policy initiatives and operational changes which fall partly but not wholly within their mandates; and also to clarify that a States Resolution shall be required to effect any adjustments to these arrangements of political accountability for the Financial Transformation Programme.”

OR

II. To delete the full stop and add the following words to the end of Proposition 4:

“, and to clarify that as part of that governance structure it is the Policy Council that is accountable to the States of Deliberation for changes of policy, new policy initiatives and operational changes adopted across the States of Guernsey in order to fulfil the Financial Transformation Programme; and also to clarify that a States Resolution shall be required to effect any adjustments to these arrangements of political accountability for the Financial Transformation Programme.”

SUPPLEMENTARY NOTE

It is essential, in view of the significance and impact of the Financial Transformation Programme, that at a political level there are clear, unambiguous lines of accountability for fulfilling the Programme.

This amendment incorporates the only two viable options in that regard. The two options are mutually exclusive. Approving one of them will clarify and confirm who is accountable to whom for the Financial Transformation Programme.

All of the Amendments to the Propositions on Article 8 to be proposed by Deputy Fallaize assume that in advance of their being laid the Amendment to be proposed by Deputy Harwood and seconded by Deputy Le Tocq shall have been debated and carried by the States of Deliberation and, ergo, the Propositions shall have been re-numbered.

STATES OF DELIBERATION**FALLAIZE D****30th January, 2013****Billet d'État No. I
Article 8****AMENDMENT**

Proposed by: Deputy M J Fallaize

Seconded by: Deputy R Conder

**Policy Council –
Financial Transformation Programme**

I. To delete the full stop and add the following words to the end of Proposition 3:

“, and in order to ensure that the States of Deliberation is properly informed about the actions necessary to fulfil those principles and in order to strengthen the transparency of the Financial Transformation Programme to direct that by no later than June, 2013 the Policy Council and States Departments shall submit to the States of Deliberation States Reports broadly outlining changes to policies and services which they have made and changes to policies and services which they intend to make in order to achieve Financial Transformation Programme savings targets in 2013, and by no later than June, 2014 the Policy Council and States Departments shall submit to the States of Deliberation States Reports broadly outlining changes to policies and services which they have made and changes to policies and services which they intend to make in order to achieve Financial Transformation Programme savings targets in 2014.”

OR

II. To delete the full stop and add the following words to the end of Proposition 3:

“, and in order to ensure that the States of Deliberation is properly informed about the actions necessary to fulfil those principles and in order to strengthen the transparency of the Financial Transformation Programme to direct that by no later than June, 2013 the Policy Council shall submit to the States of Deliberation a States Report broadly outlining changes to policies and services which have been made across the States of Guernsey and changes to policies and services which are intended to be made across the States of Guernsey in order to achieve Financial Transformation Programme savings targets in 2013, and by no later than June, 2014 the Policy Council shall submit to the States of Deliberation a States Report broadly outlining changes to policies and services which have been made across the States of Guernsey and changes to policies and services which

are intended to be made across the States of Guernsey in order to achieve Financial Transformation Programme savings targets in 2014.”

SUPPLEMENTARY NOTE

The separate parts of this amendment (I and II) are mutually exclusive. Part I is consistent with Part I of the amendment denoted ‘Fallaize C’ and requires both the Policy Council and States Departments to submit relevant States Reports. Part II is consistent with Part II of the amendment denoted ‘Fallaize C’ and requires only the Policy Council to submit relevant States Reports.

The proposer and seconder will lay whichever part of this amendment remains valid once the States of Deliberation has resolved upon the amendment denoted ‘Fallaize C’.

All of the Amendments to the Propositions on Article 8 to be proposed by Deputy Fallaize assume that in advance of their being laid the Amendment to be proposed by Deputy Harwood and seconded by Deputy Le Tocq shall have been debated and carried by the States of Deliberation and, ergo, the Propositions shall have been re-numbered.