

Government of Jersey
Union Street | St Helier | Jersey | JE2 3DN

Deputy H Miles
Chair, Corporate Services Scrutiny Panel

BY EMAIL

5 February 2025

Dear Chair

Review of the Memoranda of Understanding for States Owned Entities, Ministerial Decisions and Legislative Programme

I am writing in response to your letter dated 29 January 2025. Please see the following responses to your requests for further information.

1. Memoranda of Understanding for States Owned Entities

I note that the Panel wishes to remain abreast of this workstream and have the opportunity to review it in a timely manner. Our proposed timeline for this is as follows:

- By the end of February, feedback from the States Owned Entities (SOEs), results of the review by officers of proposed changes to the Memoranda of Understanding (MoUs) in accordance with evolving corporate governance practice and the experience of the last three years will be considered. This will result in first drafts of revised MoUs.
- During the months of March and April, we will engage with the SOE Boards to seek their feedback on the proposed changes, allowing time for their review and further consideration to their responses.
- During the month of May the final draft versions of the MoUs will be produced and the Panel will receive a private briefing ahead of the final approval of the MoUs and subsequent publication.

2. Ministerial Decision – Amendments to the Public Finances Manual [MD-TR-2025-30]

In line with the requirement of the Code of Practice for Engagement between Scrutiny Panels & the Public Accounts Committee and the Executive, our usual practice is to share any Ministerial Decisions with the Panel within one working day of being signed. However, in the case of Ministerial Decision MD-TR-2025-30 regarding amendments to the Public Finances Manual, this was not done due to an administrative oversight for which I apologise.

That said, Article 31(2) of the Public Finances (Jersey) Law 2019 states that I may “amend the Public Finances Manual (PFM) and must present to the States’ Public Accounts Committee a notice of any such amendments as soon as practicable after they are made.” I can confirm that

this requirement was met on 17 January 2025, the same day the decision was taken. It is not part of our normal process to communicate changes in the PFM to the CSSP.

The amendments regarding Arm's Length Bodies flow largely from a report of the Comptroller and Auditor General (C&AG) in July 2024, and subsequent discussions with her. We had meaningful consultation with the C&AG on these changes. If you would like any further information on them, please let me know.

3. Legislative Programme 2025-2026

The legislation and policy workstreams I anticipate lodging during 2025 are as follows:

- **Public Finances (Jersey) Law 2019 – role of Fiscal Policy Panel**

The merging of the shadow Financial Stability Board with the Fiscal Policy Panel requires amendments to the law to enable the new role to go forward. Due to other demands of the legislative programme as a whole, this will not go forward unless other legislation is dropped.
Estimated lodging period: Q4 2025

- **Finance (2026 Budget) (Jersey) Law**

Annual Finance Law, required to set the standard rate of income tax, uprate personal tax allowances and Impôt duties, enact Ministers' tax policy priorities, and make other tax technical and administrative amendments to the Revenue Laws.
Estimated lodging period: Q4 2025

- **Multinational Taxation (Global Anti-base Erosion) (Jersey) Law – Interest**

Awaiting Ministerial decision.
Estimated lodging period: to be confirmed

- **Multinational Taxation (Global Anti-base Erosion) (Jersey) Law – De Minimis**

De Minimis Order signed Q4 2024.
Estimated lodging period: Q4 2025

- **MCIT – Refundable Tax Credits**

Qualified Refundable Tax Credit (QRTC) legislation is expected to be lodged by Q3 2025.
Estimated lodging period: Q3 2025

Yours sincerely,



Deputy Elaine Millar
Minister for Treasury and Resources

E e.millar2@gov.je