

Corporate Services Finance Sub-Panel

Record of Meeting

Date: 30th March 2009

Meeting 2

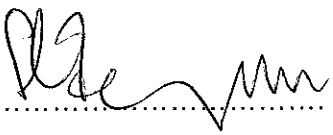
Present	Senator S.C. Ferguson, Chairman Connétable D.J. Murphy. Deputy R. G. Le Hérisssier.
Apologies	Deputy S. Pitman.
Absent	
In attendance	Mr M. Robbins, Scrutiny Officer Professor M. J. Oliver, Adviser Mr. C. Swinson, O.B.E., Comptroller and Auditor General

Ref Back	Agenda matter	Action
Item 2 18/03/09 513/20	<p>1. Briefing from Professor Oliver</p> <p>The Sub-Panel welcomed Professor M. J. Oliver as advisor to the Sub-Panel and received a briefing from him.</p> <p>Professor Oliver advised the Sub-Panel that;</p> <ul style="list-style-type: none"> • Confidence in financial forecasting appeared to have worsened in many sectors. • There were wider sociological and political economy questions which arose in relation to income and expenditure. <p>The briefing was divided into three sections</p> <ol style="list-style-type: none"> 1. General Expenditure issues <ul style="list-style-type: none"> • The differences between cyclical and structural deficits. • Three types of Government Expenditure <ol style="list-style-type: none"> i. Government Consumption ii. Government Investment iii. Transfer payments 2. Expenditure Forecasting <ul style="list-style-type: none"> • Understanding how errors in forecasting occur. • Treasury officials had the responsibility for producing adequate information and advice on which spending decisions were made and the Council of Ministers had responsibility for bringing spending proposals to the States. Under the system of government in Jersey sole responsibility for approving expenditure lay with the States, so it was only the States that could ensure financial plans were adhered to. Under the present system, not only was 	

30th March 2009

	<p>accountability diffuse, but there was no single point at which priorities were determined, this made expenditure prioritisation impossible. Moreover, whilst the Council of Ministers were required to assess the full resource implications of their proposals, individual States members could bring forward and gain approval to, uncosted initiatives.</p> <p>3. General Expenditure Issues The Sub-Panel was advised of numerous questions that could be examined during the course of the review.</p>	
Item 2 18/03/09 513/20	<p>2. Briefing from Comptroller and Auditor General.</p> <p>The Sub-Panel received a comprehensive private briefing from the Comptroller and Auditor General, Mr C. Swinson. Details for the public domain would be circulated at a later date.</p>	MR
Item 2 18/03/09 513/20	<p>2. Forecasting of Expenditure Review Launch .</p> <p>The Sub-Panel considered the following draft documents:</p> <ol style="list-style-type: none"> Terms of Reference. Scoping Document. Time Line. <p>The Panel agreed the following Terms of Reference for the Forecasting of Expenditure Review:</p> <ol style="list-style-type: none"> To review the policies, directions and practices driving the States of Jersey financial forecasting. To review the areas of responsibility for the operation of the forecasting process. To review the accuracy and timetabling of the forecasting process. To submit a report to the States of Jersey on 9th July 2009. (The Thursday before the last sitting of the States prior to summer break). To examine any further issues relating to the topic that may arise in the course of the Scrutiny review that the Panel considers relevant. <p>The Scoping document was approved and the Timeline was agreed following slight amendments of the hearing dates to 21st and 26th May. The Sub-Panel would meet at 0900hrs in order to start at 0930 hours. The Chairmen's Committee were to be provided the above information.</p>	MR
513/20	<p>3. Press Details</p> <p>The Sub-Panel agreed that the Chairman would have autonomy relating to press releases of the launch and call for evidence of this review. This would allow the work of the Sub-Panel to go ahead as necessary without the delay of waiting for the next meeting. Details of press releases were to be presented to the Sub-Panel at the first available opportunity.</p>	MR / SF

513/20	4. Meeting Schedule As the business for the scheduled meeting of 2 nd April had been concluded during this meeting, the next meeting was now to be held on Thursday 23 rd April 2009 at 09.30 am in the First Floor Meeting Room of Morier House.	MR
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Signed.....

Senator S. c. Ferguson,
Chairman.

Date..... 02.10.09.....

