

Public Accounts Committee

MEETING

Record of Meeting

Date: 26th April 2010

Meeting 33

Present	Senator B.E. Shenton (Chairman) Connétable J.M. Refault (Vice-Chairman) Senator J. Perchard Senator A. Breckon Mr. M. Magee Mr. K. Keen Mr A. Fearn
Apologies	
Absent	
In attendance	Mr C. Swinson O.B.E, Comptroller and Auditor General (C&AG) Mrs. M. Pardoe, Public Accounts Committee Officer

Ref Back	Agenda matter	Action
	1. Records of Meetings The records of the meetings held on the 29 th March and the 8 th April 2010 were agreed as a true account of events and were accordingly signed.	
	2. Matters Arising The Committee noted that the Interim Treasurer of the States was unable to attend the meeting as planned, and had sent his apologies. It was agreed that he would be invited to the next Committee meeting instead.	MP
Item A3 22.02.10	3. Financial Report and Accounts The Committee noted that the Executive had submitted their official response to the above report and that this response had been broadly positive. Members resolved to ensure that all recommendations had been addressed to the Committee's satisfaction. It was observed that the Interim Treasurer had written an overarching introduction to the response and the Committee was pleased that his approach to its work was so positive.	MP
Item A4 29.03.10 512(3)	4. Emerging Issues – States Spending Review The Committee noted that this report has been presented to the States on the 23 rd April 2010. It was further noted that the Executive had until 4 th June 2010 to respond.	
Item A4 22.02.10 1444/4(18)	5. Comprehensive Spending Review (CSR) It was observed that the last time the States had initiated a spending drive in 2004-2005, the savings had subsequently been spent, and concern was expressed that this could happen again. The Committee noted a letter that had been sent to the Chairman by the Chief Minister, confirming that some Departments had missed the deadline for identifying 2% spending cuts and that the deadline had therefore been extended. The Committee was minded that this only reinforced their view that the Council of Ministers was not treating the CSR with sufficient urgency, and that this was completely consistent with the inaction over the C&AG's 'States Spending	

	Review' report. It was agreed that the Committee would send out a press release expressing its disappointment at the delay. Members also resolved to write to the Chief Minister to express their disappointment.	
Item A2 08.04.10 512/7(8)	6. Jersey Heritage Trust The Committee recalled that the date for the hearings for the above review had been settled as the 18th May 2010 by electronic mail.	
Item A7 19.10.09 512(5)	7. Procurement The Committee recalled the scoping document and terms of reference for the above Committee review. The Committee recalled its correspondence to the Acting Bâtonier requesting information regarding the procurement process for legal aid, to which a reply was still pending. The Committee was minded that an efficient re-organisation of the procurement system within the States of Jersey could in itself go a long way towards addressing the structural deficit. Scepticism was expressed as to whether procurement even covered its costs, viz the cost of employing staff to administer the current process outweighed any savings arising.	
512(23)	8. Outsourcing of Public Services The Committee discussed the option of outsourcing publicly provided services in order to cut spending. It was agreed that it would be theoretically possible to outsource nearly every function of the States. It was considered that outsourcing services would also allow Ministers to concentrate on policy (and Chief Officers to concentrate on implementation and arranging contracts), without being hindered by day to day considerations such as cleaning and gardening. It was also noted that the multiplicity of functions of the States had made Human Resources (HR) very complicated, with many different pay grades. It was observed that every member of staff employed by the States was employed under States terms and conditions, with membership of the States pension scheme and so on. If these jobs were outsourced to private companies, the saving to the States in terms of HR administration would be considerable. However the Committee was minded that the motivation to make such a change (or indeed any change to engender savings) was missing in the States. The Connex Island Bus contract was considered, as an example of the outsourcing of a public service. The Committee was minded that this service would be more expensive if it were run by the States. It was also considered that Fort Regent was an unnecessary expense and would be better off outsourced.	
	9. Future meetings The Committee noted that its next meeting was scheduled for 24 th May 2010 in the Blampied Room, States Building	

Signed

Date:



24th May 2010

Chairman, Public Accounts Committee