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8 Senator P.F.C. Ozouf of the Chief Minister regarding the resource implications of the recent case pursued by the Jersey Competition Regulatory Authority involving the oil sector: [OQ.32/2018]

Will the Chief Minister give an up-to-date estimate of the total resources required from the States and the J.C.R.A. (Jersey Competition Regulatory Authority) to pursue the recent case involving the oil sector, either directly or indirectly, including the cost of officers' time which could otherwise have been allocated to other tasks; and will he state which Accounting Officers within the States and which J.C.R.A. directors approved the use of these resources and when?

Senator P.F. Routier (Assistant Chief Minister - rapporteur):

The Chief Minister has asked me to respond. The additional funding of £508,605 has been provided to the J.C.R.A. to date. A further £33,965 has been funded from the J.C.R.A. grant reserves. The plaintiff has applied for costs and we do not know the outcome of that application as yet. The J.C.R.A. executive directors and board members have been fully sighted on this case throughout and Accounting Officer responsibilities initially rested with the Economic Development Chief Officer and then moved to the Chief Minister's Department.

3.8.1 Senator P.F.C. Ozouf:

I thank the Assistant Chief Minister for his answer. He says that the costs in relation to the costs award, because the case failed, has not been included. But I think I have read in the media that the figures are in the region or certainly north of a million and certainly it seems to me that the question... the answer about £508,000 is quite limited in terms of just dealing with the appeal. Bounding around numbers in an oral question is not helpful, would perhaps the Assistant Chief Minister circulate to Members what the full likely end costs of this are, because I have reason to believe, adding it up, that we are potentially heading for something that is north of £2 million. Would he agree to provide a written breakdown and would he agree with that potential assessment?

Senator P.F. Routier:

I am unable to agree with the potential assessment at the present time because we have not had anything given to us formally with regard to the outcome of the costs application. But when that is available obviously we will be making that available to Members. But I think the Chief Minister has already indicated that a complete review will be carried out very soon about what has happened within this case and the terms of reference of that are being drawn up at the present time and that will obviously cover all areas, which all Members I am sure are concerned about.

The Deputy Bailiff:

Do you want a final supplementary, Senator?

Senator P.F.C. Ozouf:

I would like to have 2 final supplementaries, if I may.

The Deputy Bailiff:

I am afraid it is a final supplementary, you have asked a supplementary question, no one else wishes to ask a question, so it is a final supplementary.

3.8.2 Senator P.F.C. Ozouf:

If I may break it into 2 parts then: the Assistant Chief Minister said that the directors have been fully sighted, does he mean by “fully sighted” that they agreed with the spending of potentially up to £2 million on this case; and secondly does he not think that there should be consequences of more than just a review of a body that appears to have sanctioned the spending for nothing of up to £2 million of taxpayers’ money on a case that in my understanding was worth about £18,000 a year, and what is he going to do about that? Surely a review is not sufficient in these circumstances.

[10:45]

Senator P.F. Routier:

I believe that we have to look at all the circumstances around this case. The review, which has been talked about, is certainly a first step of finding out what happened, so I think it is important that a review of all the circumstances, including the risks that were taken by the directors of the J.C.R.A., and to find out exactly how they came to make a decision about progressing in the way they did. So a review is important and we will then be able to make a judgment call about what actions, if any, need to be taken.