

PUBLIC ACCOUNTS COMMITTEE

(2nd Meeting)

16th March 2009PART A

All members were present, with the exception of Connétable A.S. Crowcroft of St. Helier and Mr. M. Magee, from whom apologies had been received.

Senator B.E. Shenton, Chairman
 Senator A. Breckon
 Connétable J.M. Refault of St. Peter
 Deputy T.A. Vallois
 Mr. A.C. Fearn
 Mr. P. Ryan
 Mr. K. Keen

In attendance -

C. Swinson, O.B.E., Comptroller and Auditor General
 Mrs. A. Harris, Deputy Greffier
 Miss A-C. Heuston, Clerk to the Public Accounts Committee

Note: The Minutes of this meeting comprise Part A and Part B.

Minutes. A1. The Minutes of the meeting held on 16th February 2009 (Part A only), having previously been circulated, were taken as read and were confirmed.

Procurement. 512 (5) A2. The Committee, with reference to its Minute No. A6(a) of 16th February 2009, considered the scope and draft terms of reference of a review of the procurement of goods and services on behalf of the States of Jersey.

The Committee agreed that, under paragraph (c) of the objectives set out in the scoping document, the Committee should also consider whether the procurement process was understood by the relevant officers of the States. It was also agreed that the Committee would wish to investigate whether the electronic tendering process was effective.

The Committee agreed that a public hearing would be held as part of the review and that the Director of Strategic Procurement would be called as a witness, along with representatives from Education, Sport and Culture; Health and Social Services; and Treasury and Resources. The Committee also noted that, as part of the review, spot-checks would be carried out on recent procurement contracts and that a letter dated 27th February 2009 had been sent by the Chairman to the Chief Officer, Transport and Technical Services, requesting further information in relation to a contract given to a private sector company for the relocation of the green waste facility to Bellozanne, and that a reply had yet to be received.

The Committee noted that some members would attend the Jersey Enterprise "Meet the States Buyer" Event at the Hotel de France on 23rd March 2009.

The Committee agreed that a date would be arranged for a public hearing, and that the review would be re-visited in one year's time to obtain a progress update.

Emerging Issues.
512 (2)

A3. The Committee, with reference to its Minute No. A6(a) of 16th February 2009, noted correspondence dated 23rd February 2009, sent by the Chairman to the Accounting Officer for the States Assembly, and the Accounting Officer's reply dated 5th March 2009.

The Committee noted that, as agreed at its previous meeting, the Chairman had contacted the Accounting Officers of the States Assembly; Economic Development; Education, Sport and Culture; Health and Social Services; Home Affairs; Treasury and Resources; Planning and Environment; and Law Officers' Departments in relation to the report of the Comptroller and Auditor General (C&AG) entitled, 'States' Spending Review – Emerging Issues' (R.C. 48/2008 refers). The Chairman had requested that recipients provide a response in relation to the aspects of the Emerging Issues report that related to their area of responsibility.

With regard to the correspondence received from the Accounting Officer for the States Assembly, the Committee noted that the recommendation made by the C&AG had been that the Scrutiny budget be reduced by £100,000. This had been referred to the Chairmen's Committee and the Privileges and Procedures Committee, as previously constituted, who had decided that no reduction should be made. The Committee noted that Scrutiny had under-spent by £300,000 for the past two years, and that the Chairmen's Committee would consider the recommended reduction in the Scrutiny budget again this year.

The Committee also noted that correspondence dated 9th March 2009 had been received by the Chairman from the Accounting Officer for the Law Officers' Department, and that the review of the Department under the Emerging Issues report had not been intended to produce reductions in expenditure, but had advised a re-structuring of the Department, which was due to be completed by the end of June 2009. The Committee agreed that it would expect to call the Accounting Officer later in the year to provide an update on the re-structuring and it was agreed that the Chairman would write to acknowledge the correspondence.

The Committee Clerk was directed to take the necessary action.

Financial forecasts.
512 (7)

A4. The Committee considered whether to undertake a review of the underlying financial forecasts of the draft Strategic Plan 2009-2014.

The C&AG advised the Committee that the figures currently produced were unrealistic. The Committee was advised that Accounting Officers in each Department were responsible for controlling the expenditure of that Department, however, the C&AG queried where the overall responsibility lay, and considered that this should be with the Treasury and Resources Department.

The Committee noted that the Finance Sub-Panel of the Corporate Services Scrutiny Panel intended to examine financial forecasts as part of its work programme for 2009. It also noted that a report had been produced by the Corporate Services Scrutiny Panel, as previously constituted, in 2008, in relation to financial forecasts entitled: 'Review of States of Jersey Financial Forecasting,' which was presented to the States on 2nd December 2008 (S.R.13/2008 refers).

It was agreed that the 2008 report of the Corporate Services Panel would be circulated to members and that the Committee would request a meeting with the Panel to discuss the matter further. The Committee also agreed that it would consider the report of the present Corporate Services Panel upon its publication.

Shared services with the States of

A5. The Committee considered undertaking a review of the extent to which the States of Jersey shared financial and human resources with the States of Guernsey.

Guernsey.
512 (8)

The Committee noted correspondence between the Chairman and the Chairman of the States of Guernsey Public Accounts Committee (PAC), in which the Chairman of the Guernsey PAC stated that a report had been prepared on the subject of inter-Island co-operation. The Committee agreed that it would wish to establish whether both Committees would be interested in reviewing shared services provision in the Islands in order to assess whether there were any areas of waste in the administrations of the States which could be improved through greater co-operation.

It was agreed that a background paper should be prepared on the operation of the PAC in Guernsey and that the Committee would invite the Chairman of Guernsey's PAC to attend a meeting of the Committee in the near future.

The Committee Clerk was directed to take the necessary action.