
STATES OF JERSEY



FISCAL POLICY PANEL: RE-APPOINTMENT OF MEMBERS AND APPOINTMENT OF NEW MEMBERS

**Presented to the States on 14th March 2014
by the Minister for Treasury and Resources**

STATES GREFFE

REPORT

Background

The Fiscal Policy Panel was established as part of a new Fiscal Framework when the States agreed proposition P.133/2006. The objectives of the Framework are to create a more transparent and credible process for making tax and spending decisions in the Island. In addition, to ensure that fiscal policy is set in a more counter-cyclical way that supports economic growth and low inflation.

The Framework incorporates the Stabilisation Fund, with the Minister for Treasury and Resources responsible for its operation but having regard to the advice of the independent Fiscal Policy Panel (FPP). The States agreed that the FPP would be made up of leading independent economists that can bring together the right mix of experience and skills.

The States agreed the appointment of the existing Panel (Mr. Christopher Allsopp, C.B.E., Ms. Marian Bell, C.B.E. and Mr. Joly Dixon, C.M.G.) on the recommendation of the Minister for Treasury and Resources in September 2007; and their re-appointment for a further 3 years in October 2010. Mr. Joly Dixon was appointed as Chair on both occasions. In 2013 the Minister re-appointed the 3 members of the FPP for a further 6 months (R.110/2013).

In September 2013 the FPP was put on a statutory basis, with their main purpose to continue to publish an annual report on the state of the economy in Jersey and States finances, with particular reference to –

- the strength of the economy in Jersey;
- the outlook for the economy in Jersey and, generally, world economies and financial markets;
- the economic cycle in Jersey;
- the medium and long-term sustainability of the States' finances, having regard to the foregoing matters; and
- transfers to or from the Strategic Reserve Fund and Stabilisation Fund, having regard to the foregoing matters.

Appointments process

There was open competition for these appointments in line with the Appointments Commission's Code of Practice for Appointments to Autonomous and Quasi-autonomous Public Bodies and Tribunals:

<http://appointmentscommission.je/JACquangos.pdf>.

The States' Economic Adviser was asked to manage this process, which involved placing 2 adverts in *The Economist* and in addition, recruitment experts Odgers Berndston were engaged to complement this with a wide-ranging search to attract additional candidates of suitable calibre.

The whole recruitment process was conducted under the supervision of the Jersey Appointments Commission, who have confirmed that they are content that the recruitment process has been conducted appropriately, meeting the standards required in openness of competition, impartiality, equality and selection based on merit.

All shortlisted candidates were interviewed by a Panel chaired by a Member of the Jersey Appointments Commission and including the Minister for Treasury and Resources, the Treasurer of the States and the States' Economic Adviser.

The recruitment process was very successful in attracting high-calibre candidates. In making the decision on who to appoint, a balance was struck between maintaining continuity of the existing Panel and the expertise they have built up over the last 6 years, planning for succession, balancing the skill sets of the future Panel, and bringing in new members with significant expertise and an impeccable track record in economic policy to build on the excellent work of the FPP.

As a result, the Minister proposes from 30th March 2014 to –

- re-appoint Mr. Joly Dixon, C.M.G. as Chair for a period of a further 2 years
- re-appoint Mr. Christopher Allsopp, C.B.E. for a period of a further 2 years
- appoint Ms. Tera Allas for a period of 5 years (subject to clearance through the UK Government's Business Appointments Rules process, which applies to former Crown servants who intend to take up an outside appointment or employment after leaving the UK Civil Service)
- appoint Ms. Kate Barker, C.B.E. for a period of 5 years.

The process resulted in 4 highly-qualified candidates being selected. Mr. Joly Dixon and Mr. Christopher Allsopp have agreed to continue in their roles, bringing their unique experience and insight to the Panel. In addition, Ms. Tera Allas and Ms. Kate Barker bring a wealth of experience, and demonstrate all the qualities required to take the work of the FPP forward over the next 5 years and hopefully, if re-appointed, for the next 10 years.

These appointments will mean that the Panel will be in the strongest position possible to give independent, clear, informed and credible advice for the Budget 2015, and in particular the next MTFP in 2015, and for similar important States' decisions in future years.

The biographies of all Panel members are included below. Contract lengths have been chosen to ensure that existing members do not exceed 10 years on the Panel, in line with Appointments Commission guidelines; and that they are not the same length, so that all members' terms do not expire in the same year. The new members have also been given longer contracts to give them greater certainty about their roles. It would also be beneficial to give the 2 new members the added confidence and certainty that the expectation is that they will be re-appointed for a second term.

The decision not to re-appoint Ms. Marian Bell was no reflection on all the excellent work she has done over the last 6 years, but simply a result of the need to refresh the Panel and balance the skill sets of the new members. The Minister is sure that like

him, States Members would want to show their gratitude in thanking Marian Bell for all her efforts.

Financial and manpower implications

There are no additional resource implications arising from the appointment of 3 of the members, as the salary and running costs of the FPP are part of the existing budget of the Chief Minister's Department. However, the fact that the Panel will increase in size from 3 to 4 members for the next 2 years will incur additional salary costs of £18,000 per annum.

Biographies of re-appointed/new members

Mr. Joly Dixon, C.M.G. has chaired Jersey's Fiscal Policy Panel since its inception in 2007. He is also a member of the European Commission's task force for Greece, which was set up in 2010 by the Greek Prime Minister and the Commission's President, to provide technical assistance to Greece for the implementation of its economic adjustment programme. Between 2008 and 2010, he was a member of the Strategic Advisory Board for Intellectual Property Policy. He was Senior Adviser to the European Bank of Reconstruction and Development between 2007 and 2010 and a member of the UK Statistics Commission between 2006 and 2010. Previously, he worked for nearly 30 years at the European Commission, holding a variety of senior economic posts. He was Director for International Economic Affairs in the Department for Economic and Financial Affairs from 1992 to 2003. Prior to this, he was in the private office of former Commission President Jacques Delors, advising the President on economic and monetary affairs.

Mr. Christopher Allsopp, C.B.E. has been a member of the Fiscal Policy Panel since its inception in 2007. He is President of the Oxford Institute for Energy Studies, where he was Director from 2006 to 2013. He is a fellow of New College, Oxford and a reader in Economic Policy at the University of Oxford. He is the editor of the Oxford Review of Economic Policy and a director of Oxford Economic Forecasting. In 2003/04 he conducted the Allsopp Review of Statistics for Economic Policy-making for the Chancellor of the Exchequer. He is a former member of the Monetary Policy Committee (2000 to 2003) and of the Court of Directors of the Bank of England (1997 to 2000). He has also undertaken a wide range of economic advisory roles for a number of organisations, including the OECD, H.M. Treasury, the Bank of England and the World Bank.

Ms. Tera Allas was, until recently, Director-General of Strategic Advice at the Department for Business, Innovation and Skills (BIS) and a member of the Top 200 Group in the UK Senior Civil Service. From 2011 to July 2013, she was Director-General of Strategy, Analysis and Better Regulation at BIS and Deputy Head of the Government Economic Service. She is a member of the BIS Secretary of State's Panel for Monitoring the Economy. From 2009 to 2011, she was Chief Economist and Director of Transport Analysis and Economics at the Department for Transport; and between 2004 and 2009 she was Chief Energy Economist, Director of Energy Market Economics and Deputy Chief Scientific Adviser at the Department for Trade and Industry. From 1992 to 2004 she worked in a number of senior roles at McKinsey and Company, Incorporated.

Ms. Kate Barker, C.B.E. currently undertakes a number of senior advisory and non-executive roles. She has been part-time Senior Adviser to Credit Suisse since October 2010; and Non-Executive Director of: Electra Private Equity plc. (since November 2010), Yorkshire Building Society (since November 2010), and Taylor Wimpey, plc. (since April 2011). She is leading a Quality Review of the National Accounts Office for National Statistics (report due spring 2014), and chairing a commission on Health and Social Care for the King's Fund (report due autumn 2014). In addition, she is a non-executive member of the UK Office for Budget Responsibility, and Chair of the Northern Ireland Economic Advisory Group; and was a Member of the Monetary Policy Committee (MPC), Bank of England from 2001 to 2010. Ms. Barker led 2 major policy reviews reporting to the Chancellor and the Secretary of State for Communities and Local Government: the Barker Review of UK Housing Supply (2003 to 2004), and the Barker Review of Land-Use Planning (2005 to 2006). From 1994 to 2001 she was Chief Economic Advisor, C.B.I., and between 1996 and 1997 she was a Member of Chancellor Clarke's Panel of Economic Advisers. Between 1985 and 1994 she was Chief European Economist, Ford of Europe.