

2.16 Senator B.E. Shenton of the Minister for Treasury and Resources regarding commercial expertise within Property Holdings and the extent of the Accounting Officer's responsibilities:

Would the Minister inform Members why he proceeded with significant asset disposals before addressing the requirement for additional commercial expertise within Property Holdings which had been identified within the *Public Accounts Committee's Report on the States' Property Plan*? Would he also advise the extent of the relevant Accounting Officer's responsibilities in this area, and confirm the number of employees and estimated total cost of running Property Holdings for 2007?

Deputy J.A.N. Le Fondré (Assistant Minister for Treasury and Resources - rapporteur):

It is a slightly longer answer compared to one of my earlier ones. To answer the last part of the question first, the 2007 budget for Property Holdings is based on a staff complement of 53 in the 3 sections, and this will increase as further transfers from other States' departments are expected to take place during the course of the year. The total net revenue budget for Property Holdings in 2007 is projected to be £3.7 million, but this will depend on further transfers of staff and functions during the year. For an example, there have been delays in transferring the Health Property portfolio which is not yet included within the Property Holdings banner of management. So I therefore do emphasise that the exact numbers are very much dependent upon the outcome of detailed negotiations with remaining departments and the unions. In the meantime, the disposal programme is proceeding as approved by the States in June 2006. I think it is important to clarify that the P.A.C. (Public Accounts Committee) report simply identifies that Property Holdings needs to either have commercial property expertise within its own organisation, or ready access to such expertise from the private sector. I would add, that in my view, the key part of the function attributable to Property Holdings will be the introduction of the charging mechanism States-wide which will start to ensure not only that the States properly fund maintenance to States' property, but also begin to recognise the value of that property. The departments directly employ qualified valuers, surveyors, design and management staff. It has ready access to and uses private sector expertise as and when appropriate, and to date I am satisfied that it is being managed in a professional manner and with the requisite integrity. I think the only bit I have not answered is in relation to the Accounting Officer. The Accounting Officer's responsibilities are no different to that of other accounting officers in the States, in that he is accountable for the proper financial management of his organisation, and the safeguarding of public funds and assets as required under the Public Finances Jersey Law 2005; its subsidiary Regulations and Directions. Thank you, Sir.

The Greffier of the States (in the Chair):

I will allow one supplementary, Senator. We are out of time.

2.16.1 Senator B.E. Shenton:

The Accounting Officer is ultimately responsible for the Treasury. Who is this States' Accounting Officer ultimately responsible for?

Deputy J.A.N. Le Fondré:

Could you just repeat that? I did not hear the last part of the question, Sir.

2.16.2 Senator B.E. Shenton:

Given that the Accounting Officer is the States' Treasurer, where does the accountability stop? Who is he responsible to?

Deputy J.A.N. Le Fondré:

Who is the Treasurer responsible to, or who is the Accounting Officer of Property Holdings responsible to? Accounting Officer of Property Holdings, I have to say, I have always understood

that he reports to the Treasurer, but he is bound under the Regulations. The Accounting Officer for Property Holdings is the Chief Executive of that department. Thank you, Sir.