
STATES OF JERSEY



PUBLIC FINANCES (JERSEY) LAW 2019, ARTICLE 60: INSURANCE FUND PURPOSE, TERMS AND CIRCUMSTANCES

**Presented to the States on 22nd August 2019
by the Minister for Treasury and Resources**

STATES GREFFE

REPORT

Under the terms of Article 60 of the [Public Finances \(Jersey\) Law 2019](#) (“the 2019 Law”), the Minister for Treasury and Resources has to present details of the purpose, terms and circumstances of the Insurance Fund to the States. Pending the review of the Insurance Strategy, these remain in line with those approved by the Assembly in the [Public Finances \(Jersey\) Law 2005](#) (“the 2005 Law”).

1. Purpose of the Insurance Fund

- (1) The purpose of the Insurance Fund is to facilitate the provision of mutual insurance arrangements for –
 - (a) States bodies;
 - (b) any fund or money for which an Accountable Officer is appointed; and
 - (c) any other bodies and persons that the Minister for Treasury and Resources may agree under paragraph (2) below.
- (2) The Minister for Treasury and Resources –
 - (a) may prohibit an Accountable Officer for a States body or for a specified organisation as defined in Schedule 2 of the 2019 Law, from arranging any insurance otherwise than through the mutual insurance arrangements; and
 - (b) shall specify the descriptions of liabilities and persons insured by, the terms of, and the administrative processes connected with, the mutual insurance arrangements.

2. Participation by other persons and bodies

The Minister may permit persons or bodies that appear to the Minister for Treasury and Resources to be connected with the States to participate in the mutual insurance arrangements on such terms and conditions as the Minister specifies.

3. Income of Insurance Fund

- (1) There shall be transferred between the Consolidated Fund and the Insurance Fund such amount as the States may decide in a Government Plan.
- (2) There shall be paid into the Insurance Fund such amounts due from bodies or persons in respect of their participation in the mutual insurance arrangements.
- (3) There shall be paid into the Insurance Fund such amounts, received by or on behalf of the States or bodies or persons participating in the mutual insurance arrangements from insurers or otherwise in settlement of an insurable claim.
- (4) Amounts paid into the Insurance Fund do not form part of the annual income of the States.

4. Withdrawals from the Insurance Fund

- (1) Money shall only be withdrawn from the Insurance Fund –
 - (a) for the purposes of the mutual insurance arrangements;
 - (b) in accordance with an approval under sub-paragraph 4(3); or
 - (c) as approved by the States in a Government Plan.
- (2) The Minister for Treasury and Resources may permit payments to be made from the Insurance Fund, in accordance with the terms of the directions, in settlement of insurable claims without any admission of liability.
- (3) If it appears to the Minister for Treasury and Resources that the amount in the Insurance Fund exceeds the amount required for the mutual insurance arrangements, the Minister for Treasury and Resources may approve the transfer of all or part of the excess to the Consolidated Fund.
- (4) The Minister must report to the States any approval given under sub-paragraph (3) as part of the semi-annual updates presented to the States under Article 23 of the 2019 Law.

5. Winding-up of the Fund

The Fund will be wound-up should the Government of Jersey no longer provide mutual insurance arrangements as defined in Part 1. Any balance remaining in the Fund at that time after all obligations have been met will be paid into the Consolidated Fund.

6. Delegation

The Minister for Treasury and Resources may delegate functions set out under paragraphs (1) to (4) to the Treasurer or the Director – Risk and Audit, subject to the conditions or limitations as he or she may specify.