

PUBLIC ACCOUNTS COMMITTEE

(31st Meeting)

12th May 2008PART A

All members were present, with the exception of Connétable T.J. du Feu, Deputy A. Breckon, Mr. A. Grimes and Advocate A. Ohlsson, from whom apologies had been received.

Deputy S.C. Ferguson, Chairman  
 Senator L. Norman  
 Connétable D.J. Murphy  
 Deputy J.G. Reed  
 R. Bignell  
 C. Evans  
 M. Magee

In attendance -

C. Swinson, O.B.E., Comptroller and Auditor General  
 P. Monamy, Clerk to the Public Accounts Committee  
 N. Guillou, States Greffe

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

- |                 |   |
|-----------------|---|
| Minutes         | A1. The Minutes of the Meeting held on 14th April 2008 (Part A and Part B), having been previously circulated, were taken as read and were confirmed. |
| Matters arising | A2. The Committee noted the following matters arising from its previous Minutes   |
- 
- (a) **Notification of responsibilities of individual P.A.C members (Minutes Nos. A4 of 10th December 2007 and B3 of 14th January 2008)** - The Committee, having recalled that members' individual responsibilities had previously been set out in its minutes, was reminded by the Chairman that they had subsequently been allocated 3 departments. This information had been communicated to members by means of a spreadsheet, but it was agreed that the details should be re-circulated. The question was asked whether individual members could arrange meetings with the Chief Officers of specific departments to discuss their accounts. The Chairman confirmed that members were at liberty to do so, and asked that they provide verbal feedback of any meetings to the Committee, which could then request a formal written report, if necessary;
  - (b) **Publication of a Committee comment on the recent C&AG reports on 'Pension schemes for States' Employees' in respect of 'governance', 'liabilities' and 'status' (Minute No. A2 (b) of 14th April 2008)** - The Committee noted that the press release outlining the Committee's comments had been drafted by the Chairman. Due to the late circulation of this document to the Committee, a decision deadline on whether to agree to, or amend, the release was deferred until 5 pm on the 14th May 2008;

- (c) **Draft States of Jersey 2007 Financial Report and Accounts (Minute No. A4 of 14th April 2008)** - With regard to the presentation to the forthcoming hearings of a re-stated set of figures to be read alongside the States of Jersey Accounts 2007, the Comptroller and Auditor General (C&AG) confirmed that the necessary action had been taken and requisite figures would be prepared in time for the hearing to be held on 16th June 2008. The Committee considered the approach to be adopted at the hearings, both in respect of the private hearing with representatives of PricewaterhouseCoopers (PWC), States Auditors and the Chief Internal Auditor on 16th June 2008, and also the series of public hearings in July 2008 at which the Treasurer of the States and Chief Officers of the Social Security; Education, Sport and Culture; and Health and Social Services departments - and possibly others - would be interviewed. It was envisaged that discussion on 16th June would centre on the audits undertaken of the States of Jersey and Social Security Accounts, and also the departmental statements on internal controls, thereby laying the ground-work for the subsequent hearings. The Committee also considered the possibility that an extra meeting might be held on 7th July 2008 for additional discussion with PWC and the Chief Internal Auditor. It was agreed that questioning should focus on 3 strands, namely, comparison between “budgets” and “actual expenditure”; the quality of internal controls; and the effectiveness of Accounting Officers, and would cover general areas of expenditure as well as being aimed at specific departmental activities. The C&AG undertook to provide members of the Committee with briefing papers in due course. The Committee considered whether the objective for its meeting scheduled on 4th August 2008 might be to approve a paper based on those matters which had arisen from the above-mentioned hearings. The Chairman indicated that whereas it might be that the Committee would itself take on all aspects arising from the States Spending Review, consideration would be given as to whether certain Scrutiny Panels might be better placed to cover specific areas, and this matter would be discussed by the Chairmen’s Committee in due course. The Committee agreed that it might be appropriate for its attention to be directed towards the various cross-cutting issues likely to arise, for example, property management, human resources, information technology, procurement, departmental structure and privatisation;
- (d) **Call-in by Chairman of recommended acceptance of the surrender and renewal of the lease to the St. Helier Yacht Club of its clubhouse at South Pier, St. Helier (Minute A5 of 14th April 2008)** - The Chairman confirmed that whilst some outstanding issues remained, it was expected that the review of the recommendation would be completed by 16th May 2008;
- (e) **Rationale from Minister for Treasury and Resources for the decision regarding delegation of approval of internal budget transfers within the Treasury and Resources Department (Minute A6 of 14th April 2008)** - The Chairman informed the Committee that a response had been requested from the Minister but that it had not yet been forthcoming. The Committee noted that this outstanding matter would be pursued.

Status of the draft “Report on the States’ £35m expenditure reductions”:

A3. The Committee discussed the status of the draft “Report on the States’ £35m expenditure reductions. The Chairman apologised for the delay in finalising the report but advised the Committee that publication should be achieved by 16th May 2008.

presentation to  
the States.  
512/1(16)

**The Committee accordingly approved the report and asked that it be presented to the States for their information**

**The Committee Clerk was directed to take the necessary action.**