

PUBLIC ACCOUNTS COMMITTEE

(7th Meeting)

18th May 2009PART A

All members were present, with the exception of Senator A. Breckon, Connétable A.S. Crowcroft and Mr P. Ryan, from whom apologies had been received.

Senator B.E. Shenton, Chairman
 Connétable J.M. Refault of St. Peter
 Deputy T.A. Vallois
 Mr. A.C. Fearn
 Mr. M. Magee
 (not present for item Nos. A1 and A2)
 Mr. K. Keen

In attendance -

C. Swinson, O.B.E., Comptroller and Auditor General
 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 meetings held on 16th March 2009 (Part A and Part B); 7th April 2009 (Part A only); 9th April 2009 (Part A only); 17th April 2009 (Part B only); and 24th April 2009 (Part A only) having been previously circulated, were taken as read and were confirmed.

Review of the report of the Comptroller and Auditor General entitled: 'Energy from Waste Plant – management of foreign currency exchange risks'.
 512 (6)

A2. The Committee, with reference to its Minute No. A1 of 24th April 2009, received an oral update from the Chairman in connexion with the Committee's review of the report of the Comptroller and Auditor General entitled: 'Energy from Waste Plant – management of foreign currency exchange risks'.

The Committee recalled that public hearings in relation to the review had been carried out on 20th and 24th April, and 11th May 2009, and that Senator P.F.C. Ozouf, Minister for Treasury and Resources; Mr. I. Black, Treasurer of the States; Mr. J. Pope and Mr. P. Pierre of Royal London Asset Management; Mr. W.D. Ogley, States of Jersey Chief Executive; and Mr. J. Richardson, States of Jersey Deputy Chief Executive and former Chief Officer, Transport and Technical Services, had attended as witnesses.

The Committee discussed the on-going review and agreed that it did not wish to call the Deputy Treasurer, Mr. J. Turner, as a witness. It was, however, agreed that the job descriptions and pay grades of the Treasurer, Deputy Treasurer and Head of Decision Support should be requested.

The Committee Clerk was directed to take the necessary action.

Procurement.
 512 (5)

A3. The Committee, with reference to its Minute No. A2 of 16th March 2009, received an oral update from Connétable J.M. Refault in connexion with the Committee's review of the procurement of goods and services on behalf of the States of Jersey.

The Committee noted that the review would initially look at the support being

given by States departments to the work being undertaken by Ms. C. Hastings, Director of Strategic Procurement. The Committee considered that departments should be able to identify where savings had been achieved in accordance with commitment 6.2.9 of the Strategic Plan 2006-2011, to: "Secure efficiency through improved procurement arrangements for goods and services to achieve efficiency savings of £1.9 million by 2009".

The Committee agreed that Ms. Hastings should be requested to provide a report to the Committee on the work undertaken by the procurement department.

The Committee Clerk was directed to take the necessary action.

Annual Business
Plan.
447/1/1/4(1)

A4. The Committee considered its role in connexion with the effective scrutiny of the Annual Business Plan and noted a report of Senator S. Ferguson, Chairman, Corporate Services Panel, in this regard.

The Committee discussed the matter with the Comptroller & Auditor General (C&AG), who advised that he did not think the Annual Business Plan could be scrutinised by any one Committee or Scrutiny Panel. The Committee considered that funds allocated to a department under the plan could later be redistributed within the department without seeking States' approval. It was noted that the Committee would usually look retrospectively at the effectiveness of expenditure control, and that, upon the release of the annual accounts of the States of Jersey, the Committee could look at the previous Business Plan and ask departments to explain their actual expenditure.

It was noted that the 2010 accounts would be the first full set of accounts of the States of Jersey to be prepared in accordance with Generally Accepted Accounting Principles (GAAP), and that local authorities in the United Kingdom would be moving to International Financial Reporting Standards by 2011.

Shared services
with the States of
Guernsey.
512 (8)

A5. The Committee, with reference to its Minute No. A5 of 16th March 2009, welcomed Deputy L. Gallienne, Chairman of the States of Guernsey Public Accounts Committee; Committee members Mr. E. Thomas and Mr. C. Bradshaw; Principal Public Accounts Officer Ms. S. Gould; and Mr. K. Russell.

The Committee noted the Billet D'État of the Guernsey Public Accounts Committee dated Wednesday 23rd February 2005 in connexion with inter-Island co-operation. Deputy Gallienne advised that both Islands should work together where they could, and that consideration was being given to the establishment of a working party in this regard by the States of Guernsey Policy Council.

The Committees discussed the advantages of joint projects and considered that, unless matters which affected both Islands were discussed at a very early stage, from a practical point of view, a joint solution was unlikely to be found.

It was considered that part of the procurement review being undertaken by the Jersey Public Accounts Committee (Minute No. A3 of the meeting of 18th May 2009 refers) could examine joint procurement undertaken with the States of Guernsey.

It was noted that the Wales Audit Office was currently looking at corporate governance within the States of Guernsey.

It was agreed that the C&AG would carry out a scoping review in connexion with inter-Island co-operation, which both Committees felt would be of assistance.

Votes of thanks were extended by the Chairmen to each Committee, and it was agreed that the meeting had been of benefit and that progress had been made. Both Committees agreed that they would look forward to working together in the future.

