

Public Accounts Committee

Record of Meeting

Date: 13th May 2013

Meeting No: 26

Present	Deputy T. Vallois, Chairman Senator S. C. Ferguson, Deputy R. Rondel Deputy G. Baudains Mr I. Ridgway
Apologies	Mr J Mills
In attendance	Mrs K. McConnell, Comptroller and Auditor General Mr M. Robbins, Officer to Public Accounts Committee.

Ref Back	Agenda matter	Action
Item 1 15.04.13	<p>1. Records of Meetings</p> <p>The records of the meetings held on 15th April 2013 were approved and signed.</p>	
	<p>2. Conflicts of Interest</p> <p>Mr I. Ridgeway raised a minor point relating to a professional connection to the Car Parks Trading Fund but the Committee dismissed the connection as being irrelevant.</p> <p>Deputy Baudains and Mr Ridgeway declared a possible conflict of interest if the Committee were to examine aspects of Jersey Telecom.</p>	
	<p>3. Machinery of Government Review – R.39/2013</p> <p>The Committee had been requested by the Chairmen's Committee to respond to the recommendation contained within R39/2013, Machinery of Government Review. The Chairman and Deputy Baudains declared they were conflicted in the discussion as they were both members of the Machinery of Government Review Sub-Committee of the Privileges and Procedures Committee. They withdrew from the discussion.</p> <p>It was agreed that the Committee would respond only in relation to the following two recommendations:</p> <p>Recommendation 4. The Chief Minister should have ultimate responsibility for the Ministers and the Chief Officers should be responsible to the Chief Executive Officer who in turn should be responsible to the Council of Ministers and the Chief Minister.</p> <p>Recommendation 6. That this was the most important recommendation and should be listed as number one.</p>	

	The Chairman was to approve the draft prior to submission to the Chairmen's Committee and the Committee were to be circulated with the document.	MR
	4. Financial Report and Accounts 2012. The Committee, in preparation for a review on the Financial Report and Accounts for 2012 that it would undertake later in 2013, agreed that it would give particular consideration to areas raised by the Comptroller and Auditor General following her examination of the accounts.	
Item 8 15.04.13	5. Gigabit Jersey The Committee received a discussion document for consideration. It agreed that an examination of the £41.5 million project was to be used to open examination of the connection between the States of Jersey and 'JT' (Jersey Telecom) and the other three utilities of the Island, namely Jersey New Waterworks Company, Jersey Electricity Company and Jersey Post International Limited. It was understood that public money had been used to assist with the funding of the Gigabit project and therefore it fell within the remit of the Committee to examine the value for money aspect. The Committee heard that there had been warnings received about the project prior to its inception, including the suggestion that the project would cost £100 million. The Committee required briefings from the Treasurer of the States in relation to the Gigabit Project and the Utilities in General. A scoping document was also required for the next meeting.	MR MR
	6. PAC Appointment The Chairman updated the Committee on the recruitment process to date. Interviews of the shortlisted candidates were to be held on 20 th May 2013.	
Item 5 18.03.13	7. Car Park Trading Fund Following the examination of discussion documents, the Committee recognised that the Car Park Trading Fund was one of several trading accounts prescribed in the Public Finance (Jersey) Law 2005. However there were concerns discussed relating to the increases in parking charges being outside the States own Anti-Inflation Strategy. The financial return was recognised to be in accordance with the Public Finance (Jersey) Law 2005, however the uses to which the money was being put was questioned, particularly as there was the forecast of a deficit in the fund of £18 million by 2035. A scoping document was required for the next meeting.	MR
Item 8 18.03.13	8. Health Consultants The Committee agreed that it needed information from the Health and Social Services Department about the contracts under which Health Consultants operated. It was required that a briefing be arranged.	MR
	9. Procurement	

	<p>The Committee recognised that there were some issues with the procurement process that needed careful consideration. The evidence from submissions and the briefings had raised concerns in three areas.</p> <p>Difficulties of the public and outside suppliers to the States using the procurement system had been a regular feature of submissions. Evidence had been heard relating to the attitude of the Departments towards central procurement and the difficulties of removing savings made from departmental budgets.</p> <p>The various financial figures provided to the Committee during the review into the Report and Accounts 2011 had made it difficult for the Committee to have confidence in what it was told by the Treasury. The Committee requested the Comptroller and Auditor General included this in her work programme.</p> <p>The Comptroller and Auditor General agreed to include a review of procurement in her planned reviews. The Committee agreed to delay the review until that work had been completed.</p>	MR
Item 12 18.03.13	<p>10. Canbedone Productions Limited Grant</p> <p>The report had been published on 25th April 2013. It contained 21 findings that were critical of the process followed by the Economic Development Department. Eight of the ten recommendations referred to other departments, with only two relating to Economic Development. It was expected that there would be a robust response from Economic Development. That response was expected by 6th June 2013.</p> <p>It was agreed that the Committee would not become embroiled in an exchange of public criticism. The response would be purely that the report was based on evidence and prepared in a robust and professional manner. The focus would be maintained that the Committee had followed its remit and done its job.</p>	TV / MR
Item 6 15.04.13	<p>11. Grants and Subsidies</p> <p>The lead member was unavoidably absent from the meeting. It was agreed that this should be deferred until the next meeting, when it might be discussed with him present.</p>	JM / MR
	<p>12. Comptroller and Auditor General</p> <p>The Committee received a confidential briefing from the Comptroller and Auditor General.</p>	
	<p>13. Future Meeting</p> <p>The Committee agreed that the next scheduled meeting was to be at 12.30 pm on Monday 10th June 2013 in the Blampied Room of the States Buildings.</p>	MR