

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY THE DEPUTY OF ST. MARY
ANSWER TO BE TABLED ON TUESDAY 8th JUNE 2010**

Question

“Will the Minister advise members whether outside advisers or consultants are being used in the current reviews of States spending and taxation and, if so, for each adviser/consultant will he inform members –

- (a) what area(s)/department(s) they are looking at;
- (b) the name of the firm/ individual consultant and what skills and experience they bring to their task;
- (c) the exact process by which they were invited, or recruited;
- (d) the cost involved, if any?”

Answer

External advisors will be used to undertake the major investigations into over £500 million of tax payers' expenditure as part of the Comprehensive Spending Review:

- Education, Sport and Culture
- Home Affairs
- Terms and Conditions of States employees
- Court and Case Costs
- Social Security
- Health and Social Services

Expressions of interest have been sought for the first four which are being evaluated prior to formal engagement. A budget of £410,000 has been allocated for these reviews.

For the Fiscal Strategy Review of personal taxes, most of the work has been and will be carried out in house through expertise that has been developed since the last major review of our tax system. A small amount of work has been completed by the not-for-profit organisation Involve who are independent consultation experts.

For the Business Tax Review, external have been engaged to provide international tax advice. A number of reports have been commissioned from Deloitte, KPMG and PwC in respect of various international tax matters. Formal invitations to tender were issued and the successful firm was selected based on their proposals with consideration given to both price and their ability to deliver a high quality product. A senior tax partner from Deloitte, who led the report commissioned by the Foot Review, has been retained as an independent assessor of the review. Oxera has been appointed to undertake a detailed economic impact analysis of any potential changes to our business tax regime. A total budget of £620,000 has been allocated for all of this work.

Financial Directions in regard to procurement have been, and will be, followed for the engagement of all external advisors in these reviews.