

STATES OF JERSEY



STATES OF JERSEY LAW 2005: DELEGATION OF FUNCTIONS – PUBLIC FINANCES (ADMINISTRATION) (JERSEY) LAW 1967- RECONFIRMATION OF DELEGATIONS

**Presented to the States on 27th January 2006
by the Minister for Treasury and Resources**

STATES GREFFE

REPORT

On 21st December 2005, the Minister for Treasury and Resources made a decision delegating certain of his functions under the Public Finances (Administration) (Jersey) Law 1967 for the period from the commencement of ministerial government to 31st December 2005.

The terms of the delegation were recorded in a ministerial decision as follows –

Introduction

Transitional Regulations enable certain sections of the Public Finances (Administration) (Jersey) Law 1967 to continue until the 2005 year end. The Minister is also requested to approve that the Treasurer may delegate the issue of Financial Directions required by the Public Finances (Jersey) Law 2005. The Minister for Treasury and Resources is asked to reconfirm the following existing delegations for the period to 31st December 2005, ahead of the issue of new delegations to be considered in January 2006.

Legislation:	Public Finances (Administration) (Jersey) Law 1967, as amended.
Delegated to:	Treasurer of the States
Function delegated/ scope of delegation:	<p>Article 7(1) In relation to the holding and deposit of public monies, decisions in relation to the custody of cash, the selection and operation of bank accounts, and investment decisions, under sub-paragraphs (a), (b) and (c) respectively.</p> <p>Article 13A(5) Decisions regarding the manner in which the investment manager may make investments of the portion of the strategic reserve for which he is authorized.</p>

Legislation:	Public Finances (Administration) (Jersey) Law 1967, as amended.
Delegated to:	Treasurer of the States or, in his absence, the Deputy Treasurer of the States or, in his absence, another person as nominated by the Treasurer.
Function delegated/ scope of delegation:	<p>Articles 7(1) and 20(2) In relation to the holding and deposit of public monies, making funds available for the purchase of materials for stock (sub-paragraph (d)); and for incurring expenditure which will subsequently be recharged (sub-paragraph (e)).</p> <p>Article 8 Decisions determining the intervals at which receipts of money by Departments should be paid to the Treasurer of the States.</p>
	<p>Article 9(2) Determination of the procedure for the verification, certification and payment of accounts.</p> <p>Article 15(2) Determination of the number of items of</p>

	expenditure and of receipts or income of a Department's estimates.
Article 17(1)(b)	Decisions on the period over which capital expenditure is repaid, and the rate of interest prescribed with regard to Trading Committees.
Article 17(2)	The authority to require any Department to show why any uncommitted vote of credit for Capital expenditure should not be withdrawn in the next budget.
Article 17A(6)	Decisions allowing another Department to carry forward at the end of a financial year any surplus or deficit in that Department's authorized revenue expenditure, in accordance with the restrictions imposed by Code of Direction No. 2.
Article 17A(7)	Authority to approve increases to authorized revenue expenditure arising from any Department's increased income.
Article 18	Authority to agree individual non-contentious requests for funds up to a maximum of £100,000 from the General Reserve on the basis that the Minister would receive regular updates of the grants made at a minimum of six-monthly intervals for notification to the States.
Article 18(3)(a)	Decisions granting sums from the General Reserve in respect of requests from Departments arising from pay awards or inflation.
Article 18B	Transfer of unused revenue and capital balances for items as deemed appropriate under the Article, and the transfer of such credits to other Departments (such transactions may be particularly numerous with regard to forthcoming Committee amalgamations) on the basis that such transfers are reported to the Committee on a six-monthly interval.
Article 20	The authority to make funds available for items of stock and to impose stock limits on Departments of the States.

Increases in fees and charges

In accordance with Code of Direction No. 24, where a fee charged by a Committee increases by more than 2.5% per annum it requires the approval of the Finance and Economics. However, the Finance and Economics Committee, as previously constituted, delegated the task to the Treasurer where –

- Requests do not need to be submitted to the States for their approval;
- Requests relate to non-contentious issues; or

- Committees are able to demonstrate that they are increasing charges in order to fulfil the “User Pays” principle.

Financial Directions

Proposed delegations under the Public Finances (Jersey) Law 2005 will be presented to the Minister in January; however, from 1st January, Financial Directions need to be issued.

Article 34 of the Public Finances (Jersey) Law 2005 enables the Treasurer to issue Financial Directions with the approval of the Minister.

The Minister is asked to approve that the Treasurer may issue any such Financial Direction that the Treasurer deems to be required by the Law or those that may be necessary or expedient for the proper administration of the Law and of the public finances of Jersey.

It is recommended that where a Financial Direction proposes the delegation of responsibility from the Minister to an officer that this requires the prior approval of the Minister.

The approval of this will enable the contents of the Accounting Manual to be issued from 1st January 2006.

Recommendation

That the Minister reconfirm the delegations as detailed above for the period to the end of 2005.