

**QUESTIONS TO BE ASKED OF THE PRESIDENT OF THE POLICY AND RESOURCES  
COMMITTEE ON TUESDAY, 3rd FEBRUARY 2004 BY DEPUTY P.N. TROY OF ST. BRELADE**

**Question 1**

Would the President inform members –

- (a) of the cost of the annual retainer agreed with OXERA Consultants for all years since the retainer was introduced, and whether additional sums over and above the retainer have been paid in any of those years?
- (b) when OXERA were first engaged by the States as consultants and what the total sum paid to them since that date is?

**Answer**

1. (a) The annual retainer was agreed in the year 2000, following a full competitive tendering process, at a rate of £307,152 per annum, or £25,564 per month, and it has not changed since that time. This retainer does not include expenses such as travel and accommodation, which have cost between £4,000 and £16,000 per annum.

The retainer is paid to OXERA in return for a wide range of economic advisory services, which include research, attendance at meetings, computer modelling, and the preparation of advisory notes and reports. In addition, OXERA are available on a daily basis to provide advice in economic affairs.

Additional sums were paid to OXERA in 2001 and 2002 for the preparation of four reports. Two of these reports were prepared in 2001 at a combined cost of £72,946, and a further two in 2002 at a combined cost of £99,000.

- (b) OXERA were first engaged by the States as consultants in September 2000 and the total sum paid to the company since that date is £1,233,673. This sum can be broken down as follows –

**retainer fees** (September 2000 - December 2003): £1,023,840  
**additional work** (4 reports in 2001 & 2002): £171,946  
**expenses:** £37,887.

**Question 2**

Would the President explain why, in giving answers on 20th January 2004, the Committee considered that the work undertaken by OXERA did not qualify under the heading ‘third party consultants’ and therefore was excluded from the original answer concerning the providers of third party reports or consultancy documents?

**Answer**

Yes. I would remind Deputy Troy that the question which he posed on 20th January 2004, concerned the ‘*number of third party reports or consultancy documents commissioned in 2003 by States Committees and their Departments, costing in excess of £2,000*’. As noted in the answer to question 1(a) above, no reports or consultancy documents costing in excess of £2,000 were commissioned from OXERA in 2003. OXERA were paid a retainer during this period, as indeed they have been since September 2000, but this fee was paid on a monthly basis in return for a wide range of consultancy services.

NOTE

On a separate matter, I am now able to provide the following further information in response to Deputy Troy's question of 20th January 2004, regarding third party report and consultancy documents –

The information that Deputy Troy requested has now been received from States departments. This information shows that a total of 104 third party reports or consultancy documents costing in excess of £2,000 were commissioned in 2003 by States Committees and their departments, at a total cost to the public sector of £1,550,364.40.

The total for each Committee's expenditure in this respect is as follows –

**Economic Development** - £136,610.28

**Education, Sport and Culture** – £147,187.35

**Employment and Social Security** – £35,000

**Environment and Public Services** – £674,397.78

**Finance and Economics** – £91,895

**Harbours and Airport** – £254,828

**Health and Social Services** – £34,573

**Home Affairs** - £10,457

**Housing** – £13,000

**Legislation** – Nil

**Overseas Aid** – Nil

**Policy and Resources** – £47,446

**Postal** – £104,970

**Privileges and Procedures** - Nil

As I have indicated, this gives a total spend of £1,550,364.40 for the 14 States committees and their departments.