

# STATES OF JERSEY



## DRAFT PUBLIC FINANCES (JERSEY) LAW 201-

---

Lodged au Greffe on 12th March 2019  
by the Minister for Treasury and Resources

---

STATES GREFFE





Jersey

## **DRAFT PUBLIC FINANCES (JERSEY) LAW 201-**

### **European Convention on Human Rights**

In accordance with the provisions of Article 16 of the Human Rights (Jersey) Law 2000, the Minister for Treasury and Resources has made the following statement –

In the view of the Minister for Treasury and Resources, the provisions of the Draft Public Finances (Jersey) Law 201- are compatible with the Convention Rights.

Signed: **Deputy S.J. Pinel of St. Clement**

*Minister for Treasury and Resources*

Dated: 12th March 2019

# REPORT

---

## Introduction

This draft Law is the result of independent reports and changes to the governance arrangements within the public administration in Jersey moving away from a silo-based organisation towards a more unified and integrated approach to serving Islanders.

The changes proposed in this draft Law are part of a wider process of significantly improving and modernising the way that the public administration works. The current [Public Finances \(Jersey\) Law 2005](#) has developed in an incremental fashion over recent years, and various reports have highlighted where the Law needs to be reviewed, enhanced or streamlined. As it is over 10 years since the Law was first established, it is timely that it should be reviewed as a whole – a factor which was highlighted when the States Assembly considered amendments to governance arrangements brought forward under the umbrella of [P.1/2018](#), which after adoption became [Machinery of Government \(Miscellaneous Amendments\) \(Jersey\) Law 2018](#).

## Background

Early in 2018, KPMG was commissioned to undertake a review of the existing Public Finances (Jersey) Law 2005. The need for this review arose from –

- previous recommendations from Scrutiny, the Public Accounts Committee (“PAC”) and the Comptroller and Auditor General (“C&AG”), who have issued reports and made frequent references to the need for improved corporate working moving further away from a silo approach, and for improvements in financial management and planning within the public administration;
- international best practice in government accountability, which has evolved over recent years, and Jersey’s position in the international market continues to depend on it having strong governance arrangements;
- due diligence work commissioned by the then incoming Chief Executive Officer; and
- the need to replace the Medium Term Financial Plan (“MTFP”) found in the existing Law with a “Government Plan”, which has been recognised as the appropriate mechanism for considering the allocation of financial resources.

The Council of Ministers endorsed the proposals put forward by KPMG and agreed that a new Public Finances Law should be prepared. The Council of Ministers decided that the draft Law should be circulated and consulted on with representatives across Government prior to its completion. The draft Law has, therefore, been discussed with the Council of Ministers, a Ministerial Sub-Group of the Council of Ministers, Scrutiny, PAC and the Audit Committee.

## Summary of the draft Law

The draft Law –

- is an enabling piece of legislation which allows improved flexibility and is less prescriptive;
- promotes the change to a rolling 4-year operational planning cycle which fits into the medium- and long-term planning requirements and enables funding to be aligned with the priorities set by the Common Strategic Policy;

- incorporates the Government Plan, which is an annual plan proposed by the Council of Ministers, through which the States Assembly will be asked to approve a detailed one-year budget for the following financial year, with respect to both income and expenditure, whilst setting income and expenditure proposals for years 2, 3 and 4 on a rolling basis. Some of the major criticisms of the current process have been about the inflexibility of the funding levels set in the MTFP process, and the fact that the process fails to acknowledge and address the years immediately following an approved MTFP;
- brings the approval of income **and** expenditure proposals together, which is a change to current practice;
- requires that the Government Plan provide financial details of the major States Funds for the 4-year period of a Plan, in order to provide an improved overall picture of public finances rather than just focusing on the income and expenditure of the Consolidated Fund (however, it is important to note that the inclusion of information on the Social Security Funds does not mean that the States Assembly will be asked to approve expenditure from these Funds, as this process is governed by the specific legislation which establishes these Funds);
- builds on existing arrangements and promotes improvement in transparency and personal accountability by incorporating the changes brought into being through P.1/2018, with the role of the Principal Accountable Officer having been established in law since June 2018;
- enables funding for “major projects” on an annual cash requirement, replacing the current system whereby the States Assembly allocate the full budget upfront for a project. The current allocation process means that the Government has large amounts of cash tied up in projects which it is not able to utilise, resulting in the delay of some high priority projects, whilst the public accounts show that the Government is holding large cash balances. This is not an efficient and effective use of public monies;
- sets a process to be followed if the States Assembly decides not to approve a Government Plan;
- requires the Fiscal Policy Panel to report on the States’ financial assets and liabilities (including external financing);
- acknowledges the developments which the Government is making in improving its medium- and long-term planning processes through the requirement for the Council of Ministers to set out in the Government Plan how its proposals take these issues into account;
- recognises that sustainability is an important issue and, therefore, over time the Government Plan will take into account the sustainable well-being (including the economic, social, environmental and cultural well-being) of the current inhabitants and future generations of Jersey; and
- takes on board current international best practice, and incorporates this where appropriate in the Jersey context.

This Assembly has endorsed the need for a Government Plan in its [Common Strategic Policy 2018–22](#) and this legislation will enable a Plan for 2020–23 to be progressed.

The draft Law revises the way in which the public finances of Jersey are regulated, controlled, supervised and administered; and the following provides further detail on

the various Articles, although more information on the effect of the individual Articles is found in the Explanatory Note to the draft Law.

### **The Funds (Articles 3–8)**

The draft Law retains the Consolidated Fund and continues with the current practice that there is one Fund through which financial transactions flow (subject to certain exceptions), a practice which is common in many other jurisdictions.

Reflecting the importance of their position, the Strategic Reserve Fund and the Stabilisation Fund are retained in the Public Finances Law, with the ability to withdraw and pay money into these Funds ultimately resting with the States Assembly. Proposals to withdraw or pay into these Funds can be taken forward either by the Minister for Treasury and Resources or as part of the proposals within the Government Plan.

The draft Law enables the States to establish other funds for specific purposes. The potential proliferation of new States Funds was of particular concern to KPMG in their review of the current Law. The draft Law partially addresses this concern by requiring any new Fund to specify the circumstance(s) when it would be wound up. (Although not part of the draft Law, a commitment has also been made that a review of all existing States Funds will be undertaken, with a report to the Assembly detailing those Funds which might be closed).

### **Financial planning and authority to spend (Articles 9–24)**

The draft Law provides for the introduction of the Government Plan, and specifically deals with how financial spending plans and income-raising proposals will be dealt with by the Assembly. Otherwise, the non-financial aspects of the Plan are at the discretion of the Council of Ministers. This flexibility is intentional, given that each successive Council of Ministers may have different approaches to content.

In the Government Plan, the Council of Ministers must set out, for States Assembly approval, its income **and** expenditure proposals for the following financial year. The approval of income and expenditure together is a change to current practice. It is envisaged that this requirement, along with the need to consider sustainability issues over the medium and long terms, should provide improved financial discipline and spending decisions. Standing Orders will set that a Government Plan has a minimum 12-week lodging period.

The Government Plan will more generally set out income and expenditure proposals for each of the subsequent 3 financial years for information purposes. Although these figures will not be fixed by the approval of the Plan, it is expected that changes to these proposals in a subsequent Government Plan will need to be justified.

Under the draft Law, the States Assembly must agree funding for heads of expenditure set out in the Government Plan, which will more explicitly link spending to strategic priorities rather than being compelled to align resources only to organisational silos. As mentioned previously, funding for major projects (replacing the current capital project heading) will be allocated on an annual cash requirement basis, but the States Assembly will still be required to approve the full cost of individual projects and its proposed funding before it can start.

The draft Law enables the Government Plan to propose an allocation to a Reserve head of expenditure, and also states that the Minister for Treasury and Resources has the authority to direct where amounts appropriated under this head of expenditure will be spent.

Sustainability of the public finances is an important issue, and so the draft Law requires the Council of Ministers to take into account the medium- and long-term

sustainability of public finances and the outlook for the economy when preparing their financial proposals.

In recognition of changes in international best practice in government accountability, the draft Law proposes that the Government Plan may include information about the sustainable well-being of the current and future inhabitants of Jersey. Given that this is a new initiative, the longer-term framework to support this inclusion of sustainable well-being will be developed over time.

Consideration has been given to the position of those departments which are independent of the Government. The draft Law provides protection to the amounts appropriated to those Departments classed as being Non-Ministerial States bodies by allowing them to submit their funding requests to the Council of Ministers for inclusion, without amendment, in the Government Plan. In the event that the Council of Ministers (or a Member of the States) disagrees with any of those amounts, an amendment to the Government Plan can be lodged.

In order to bring about further financial discipline, the draft Law includes a requirement that if there is an amendment to a lodged Government Plan, the Minister for Treasury and Resources must be asked to review and comment on the effect the proposal has on the public finances, including the medium- and long-term effects.

The current Law allows some variations in the use of funds, where necessary, after the States Assembly has approved the spending proposals in the Government Plan. This is because (as is the case with any organisation) circumstances and priorities can and do change. Similar provisions are incorporated into the proposed draft Law, and include the requirement for the Minister to consult with the appropriate Minister(s) (or for those transfers which affect the non-Ministerial Departments to seek the approval of the relevant person) prior to any variations. The Minister must give the States at least 2 weeks' notice of the day on which the proposed transfer will be approved. Any States Member may lodge a proposition to object to a proposed transfer, and the Minister will need to await the outcome of the debate of such a proposition before approving a transfer. Furthermore, the Minister must report all such variations to heads of expenditure to the States Assembly by pre-set dates on a half-yearly basis.

A provision is introduced in the draft Law which would take effect on the States Assembly being unable to agree a Government Plan prior to the commencement of the first year of the Plan. This provision enables a monthly amount to be appropriated for spend – equivalent to 1/12<sup>th</sup> of the amount appropriated to an equivalent head of expenditure in the previous Government Plan. This type of provision is found in other jurisdictions, and has been included in this draft Law to enable public services to function if a Plan is not approved.

In recognition of concerns raised by Scrutiny, PAC and the C&AG, the current provisions which cover the availability and carry-forward of unspent funds at the financial year-end are more restrictive. The draft Law proposes that the Minister may direct –

- that unspent funds may be transferred into the following year's Reserve; and
- that unspent funding for a major project may be carried forward for spending on the same project.

The draft Law makes provision for expenditure which is linked to a state of emergency, or where there is an immediate threat to the health or safety of any of the population, or to the stability of the economy in Jersey or the environment. This provision enables the Minister for Treasury and Resources to spend up to £10 million from the Consolidated Fund without prior recourse to the States Assembly in those

circumstances. If the amount is £10 million or over, an amendment to the Government Plan must be progressed.

The draft Law continues with the current arrangements by which the Minister for Treasury and Resources is responsible for bringing forward the necessary legislation to bring taxation issues into effect.

In relation to taxation proposals, it has been provided that any amendments to a Government Plan need not be limited to an amendment of the proposals in the Government Plan, but may include alternative taxation proposals.

### **Investments (Article 25)**

The draft Law continues with the current arrangements that the Minister must present an Investment Strategy for the funds under the Treasury's management to the States Assembly, and that the Treasurer must ensure that investments are made in line with this Strategy.

### **Financing and lending (Articles 26–29)**

All major financing and lending will be agreed by the States Assembly as part of the approval of the Government Plan, and should be based on affordability rather than on pre-set limits. The Law requires the Council of Ministers to report in the Government Plan on the medium- and long-term sustainability of its proposals, and any borrowing would need to be justified as part of this. There is further protection in that the Fiscal Policy Panel is required to report on any such proposals in its Annual Report.

As a continuation of powers currently included in Regulations under the existing Law, and in order to allow some flexibility, the draft Law does include provisions which allow the Minister to secure financing, lend or give guarantees up to a maximum £20 million and with no more than £3 million in any one year. Anything in excess of these figures would need to be approved by the States Assembly in a Government Plan.

### **Administration (Articles 30–37)**

These Articles set out the role of the Minister, the appointment, duties and independence of the Treasurer, the preparation of the annual financial statement and the requirement for internal auditing. They also introduce the Public Finances Manual.

The concept of a Manual follows the practice in other jurisdictions. The Manual will be a document published by the Minister, and will include directions and information on the administration of this Law and the public finances generally.

The Manual will include many of the current issues covered by Financial Directions made under the existing Law.

A draft of the Manual has been prepared, and this is currently being consulted on and further reviewed and improved – a final copy will be available for issue by the Minister when the Law comes into effect. It is fully recognised that the Manual will be an evolving document which is subject to updates as issues arise and best practice changes. The Manual will be publicly available.

In order to emphasize the importance of the independence of the Treasurer, the draft Law enables the Treasurer to issue a report to the States Assembly on the action of any person who has dealt with public money inappropriately. The Treasurer is also able to report to the Council of Ministers on the actions of any person that relate to the administration of the public finances.



### **Principal Accountable Officer and Accountable Officers (Articles 38–41)**

The draft Law maintains the States Assembly’s decision in P.1/2018 to establish the role of Principal Accountable Officer (“PAO”), in recognition of the need for clear accountability at the very top of the public service for the overall use of resources. This approach remains consistent with modern practice elsewhere in the British Isles. The draft Law maintains the approach that the Chief Executive Officer should be the PAO, whose responsibilities include the designation of persons as Accountable Officers (“AOs”) for discrete parts of Jersey’s administration and States funds. The PAO retains responsibility for ensuring propriety and regularity of States funds and bodies, and for ensuring that such resources are used effectively, efficiently and economically. The PAO’s responsibilities also cover ensuring the performance of the relevant functions by the AOs and for publishing a list of all AOs.

The Law also enables the PAO to appoint AOs in certain specified bodies which operate apart from the States. The PAO has undertaken that before any such appointment is made to these bodies, that consultation will take place in order to ensure a clear and shared understanding of the AO function within these bodies.

As is currently the case, Non-ministerial bodies are excluded from the scope of the PAO’s responsibilities, although these bodies will still have AOs who can be held to account for the resources of their area. The PAO and AOs continue to be answerable to the States Assembly and held to account by the PAC.

It is recognised that there is a need to review and update some of the wider aspects of the overall accountability framework for the public administration, part of which is enacted through the [Employment of the States of Jersey Employees \(Jersey\) Law 2005](#). Given that this Law was established more than 10 years ago, it will be reviewed to provide a fit-for-purpose framework for modern public service accountability. The Council of Ministers has prioritised this work and expects to propose an updated Law in the next 12 months as a second stage in modernising the overall accountability framework for the public service.

### **Fiscal Policy Panel (Articles 43–46)**

The independent Fiscal Policy Panel is maintained in legislation. The Panel is required to prepare an Annual Report on the economy and public finances included in the Government Plan. This Report would address medium- and long-term requirements, and would also include reporting on external financing arrangements.

### **Offences and related provisions (Articles 47–52)**

The draft Law sets out offences and penalties relating to the Law.

### **Miscellaneous Provisions and Schedules (Articles 53–66)**

Provision is made in these Articles for the Minister’s duties in relation to States’ companies where there are shareholdings.

The draft Law (other than Part 7, which deals with Offences and related provisions) can be amended via Regulations, with the Minister having certain limited powers to amend Schedules 2, 3 and 5 by Order.

There are also transitional provisions which enable a smooth transition from the existing Public Finances (Jersey) Law 2005 to the provisions of this Law.

Consequential amendments are also included to reflect amendments which are required to other legislation to reflect the changes brought about by this Law.

## **Conclusion**

This draft Law is part of a continuum of changes required to improve governance arrangements throughout the public administration, and is an essential step in enabling the public service to work together as a unified service for the benefit of Islanders. Further legislative improvements to the accountability framework for the public administration will be brought forward in due course.

The Minister for Treasury and Resources, supported by the Council of Ministers, is pleased to present this draft Law, is grateful to those that have been involved in the research and consultation, and commends it to the States Assembly.

## **Financial and manpower implications**

There are no direct additional financial implications or manpower costs associated with adopting this Law; however, changes to government planning processes should assist in achieving the financial savings required to ensure the protection of public finances for future generations.

## **Human Rights**

The notes on the human rights aspects of the draft Law in the **Appendix** have been prepared by the Law Officers' Department and are included for the information of States Members. They are not, and should not be taken as, legal advice.

## APPENDIX TO REPORT

### **Human Rights Notes on the Draft Public Finances (Jersey) Law 201-**

These Notes have been prepared in respect of the Draft Public Finances (Jersey) Law 201- (the “**draft Law**”) by the Law Officers’ Department. They summarise the principal human rights issues arising from the contents of the draft Law and explain why, in the Law Officers’ opinion, the draft Law is compatible with the European Convention on Human Rights (“**ECHR**”).

**These notes are included for the information of States Members. They are not, and should not be taken as, legal advice.**

The draft Law concerns the financial governance of the States, and the duties and responsibilities of those who are employed by the States or otherwise choose to receive public money. It should be unsurprising that there is little of even remote human rights concern.

The draft Law creates no new provisions of human rights concern, although it includes certain earlier provisions which have already been advised upon.

In particular, the powers under Article 34 of the draft Law of the Treasurer to report actions of individuals to the States was advised on in respect of the Public Finances (Amendment No. 4) (Jersey) Law 2013. The new provisions are more generous to those under suspicion, given that the Treasurer would lose the power to report direct to the States without giving that person a right to respond.

The powers of the Principal Accountable Officer under Articles 38–42 were recently considered in the context of the Machinery of Government (Miscellaneous Amendments) (Jersey) Law 2018, and there is no need to reconsider them.

All offences follow the pattern of the current Public Finances (Jersey) Law 2005. There is no need to reconsider these.

## Explanatory Note

---

This Law would repeal the Public Finances (Jersey) Law 2005 (the “previous Law”) and revise the way in which the public finances of Jersey are regulated, controlled, supervised and administered, including the way in which amounts from public finances are appropriated for particular purposes.

*Part 1* (consisting of *Articles 1* and *2*) contains introductory provisions.

*Article 1* defines words and expressions used in the Law. Notable definitions not found in the previous Law include a “government plan” (the annual plan, containing budgetary information, that is to be lodged by the Council of Ministers for the approval of the States), a “head of expenditure” (the purpose or subject in respect of which amounts appropriated under a government plan may be spent) and a “major project” (a capital project lasting more than one year for which the total cost will be more than £5 million, or any other project designated by a government plan as a major project).

*Article 2* provides for the designation of a States body, or an area of operation of a States body, as a States trading operation.

*Part 2* (consisting of *Articles 3* to *8*) contains provisions relating to funds of the States.

*Article 3* continues the Consolidated Fund established under the previous Law. All money received by or on behalf of the States is to be credited to the Consolidated Fund, except as otherwise provided by the Law or another enactment.

*Articles 4* and *5* continue, respectively, the Strategic Reserve Fund and the Stabilisation Fund established under the previous Law.

*Article 6* enables the States, on a proposition lodged by the Minister for Treasury and Resources (the “Minister”), to establish funds for specific purposes. When establishing such a fund, the States must specify the purposes of the fund, its terms and the circumstances in which the fund may be wound up.

*Article 7* requires that any enactment that would establish a fund of the States, vary its purposes or terms or wind it up may only be lodged by or with the consent of the Minister. *Article 8* requires that any balance remaining in a fund of the States on winding up must be transferred to the Consolidated Fund.

*Part 3* (consisting of *Articles 9* to *24*) sets out the annual process by which the States approve of appropriations of money of the States and transfers between States funds.

Under *Article 9*, the Council of Ministers must lodge a government plan early enough in each year to allow the States to approve it before the start of the next year. The government plan must set out, with respect to the following financial year –

- the States’ estimated income and other proposed financing;
- the major projects that are to be started and their projected costs;
- the amounts to be appropriated from the Consolidated Fund, per head of expenditure; and
- the estimated income for each States trading operation, as well as the proposed amount to be appropriated from each such operation’s fund.

The government plan must also set out, more generally, similar information for each of the 3 financial years following the next financial year as well as other information that the States may need to consider the plan. The Council of Ministers is not permitted to propose a government plan that shows a negative balance in the

Consolidated Fund at the end of any of the financial years covered by the plan. The Council of Ministers must set out in the plan how the plan's proposals take into account the medium-term and long-term sustainability of the States' finances and the outlook for the economy in Jersey, and may set out how the plan's proposals take into account the sustainable well-being of the inhabitants of Jersey.

*Article 10* sets out certain requirements relating to the amounts to be appropriated in relation to the operations of a non-Ministerial States body (a body listed in *Schedule 1*).

*Articles 11 and 12* relate to taxation provisions. *Article 11* requires the Minister to lodge draft legislation containing taxation provisions referred to in a government plan in sufficient time for the taxation provisions to be debated and approved before the start of the next financial year; if the Minister does not do so, he or she must explain why. Under *Article 12*, the States may by Act declare that certain taxation provisions have effect before the draft Law in which they are contained has been passed.

*Article 13* allows amendments to a lodged government plan to be accompanied by a proposal to amend an existing tax or impose a new tax. Anyone who proposes an amendment to a lodged government plan must also submit to the States the Minister's determination of the impact of the amendment on the States' finances, the medium-term and long-term sustainability of the States' finances and (if applicable) the well-being of the inhabitants of Jersey.

*Article 14* places limitations on the States' power to approve a lodged government plan. The States are not permitted to approve a lodged government plan that would –

- show a negative balance in the Consolidated Fund at the end of the first financial year covered by the plan;
- authorise the transfer of money between States funds, if doing so is inconsistent with any enactment or the terms of a States fund; or
- authorise the obtaining of financing or transfer of money from one States fund to another, if the Minister has not given his or her consent.

*Article 15* sets out the effects of approval by the States of a lodged government plan. The appropriations, financing and transfers that are set out in the plan for the first financial year it covers are approved, as is the undertaking by States bodies of major projects set out in the plan.

Under *Article 16*, the States may not amend an approved government plan except on a proposition lodged by the Council of Ministers, and such a proposition must not result in the plan showing a negative balance in the Consolidated Fund at the end of any financial year covered by the plan.

*Article 17* applies in the event that the States do not approve a lodged government plan before the start of the first financial year covered by the plan. In that case, a monthly amount is appropriated under each head of expenditure set out in the as-yet unapproved government plan; the monthly amount is not more than 1/12th of the amount appropriated under an equivalent head of expenditure in the previous year's government plan.

*Articles 18 to 21* authorise the Minister to make adjustments to spending approved under a government plan –

- under *Article 18*, the Minister may, after giving notice to the States, direct that an amount appropriated under one head of expenditure be allocated to another head of expenditure set out in the same government plan or to a new head of expenditure relating to a major project that has been approved by the States;

- under *Article 19*, the Minister may direct that unspent amounts appropriated under a government plan be carried forward as part of the reserve head of expenditure for the following year;
- under *Article 20*, the Minister may direct that unspent amounts allocated as a head of expenditure for a major project in one financial year are deemed to be appropriated as part of a head of expenditure for that major project for the following financial year; and
- under *Article 21*, the Minister may direct that excess income earned by a States body or area of operation by a States body be allocated to a head of expenditure set out in the plan.

*Article 22* sets out limitations on the Minister's powers under Articles 18 to 21 with respect to non-Ministerial States bodies and States trading operations.

*Article 23* requires the Minister to provide twice-yearly updates to the States on any directions given by the Minister under Articles 18 to 21, on any financing, loans or guarantees or indemnities undertaken by the Minister under Articles 26 to 28, and on directions made by the Minister regarding the spending of amounts appropriated under a reserve head of expenditure.

*Article 24* authorises the Minister to withdraw from the Consolidated Fund specified amounts in the event of certain emergencies. The Minister must present a notice of any withdrawal under this Article to the States.

*Part 4* (consisting of *Articles 25* to *29*) contains some general powers given to the Minister.

*Article 25* authorises the Minister to cause money of the States to be invested, as long as the Minister presents an investment strategy to the States. The Treasurer (appointed under *Article 33*, as set out below) must ensure that the investment of money is done in accordance with the investment strategy.

*Article 26* permits the Minister to arrange for a bank overdraft or bank overdraft facility, and to obtain other financing. *Article 27* authorises the Minister to lend money from the Consolidated Fund, while *Article 28* authorises the Minister to provide guarantees or indemnities. As set out in *Article 29*, nothing in any of Articles 26 to 28 affects the States' ability to obtain financing, lend money or provide guarantees or indemnities under an approved government plan, another enactment or an Act of the States.

*Part 5* (consisting of *Articles 30* to *42*) relates to the administration of public finances.

*Article 30* charges the Minister with ensuring that the public finances of Jersey are regulated, controlled and supervised in accordance with the Law.

Under *Article 31*, the Minister is required to issue a Public Finances Manual. The Manual may include directions and information with respect to the proper administration of this Law and of the public finances in Jersey.

*Article 32* continues the office of the Treasurer established under the previous Law. The Treasurer is responsible to the Minister for supervising the administration of the Law, for ensuring the proper stewardship and administration of the public finances of Jersey and for establishing a system of internal auditing. *Article 33* states that the Treasurer is to be appointed by the Minister after consulting with the Chief Minister, and also sets out the process under which the Treasurer may be appointed or have his or her appointment revoked.

As set out in *Article 34*, the Treasurer is not subject to any direction on how his or her functions are to be carried out, other than a direction set out in the Public Finances Manual.

The Treasurer may, under *Article 35*, provide the Greffier of the States (for presentation to the States) with a report on the actions of a person who has dealt with any money of the States other than in accordance with the Law, an approved government plan, a decision of the States or the Public Finances Manual. The Treasurer may also provide the Council of Ministers with a report on the actions of a person that relate to the administration of the public finances of Jersey under this Law.

*Article 36* permits the Treasurer to authorise other persons to carry out his or her functions.

*Article 37* requires the Treasurer to prepare annual financial statements of the States' accounts and send them to the Comptroller and Auditor General for auditing; the Treasurer must do so no later than 3 months of the end of a financial year.

*Articles 38 to 41* relate to accountable officers. *Article 38* states that the Chief Executive Officer appointed under the Employment of States of Jersey Employees (Jersey) Law 2005 is also the Principal Accountable Officer. *Article 39* sets out the functions of the Principal Accountable Officer, which includes ensuring the propriety and regularity of the States' finances and ensuring that they are used economically, efficiently and effectively, as well as appointing accountable officers who are responsible for individual aspects of States bodies (other than non-Ministerial States bodies), other specified organisations (listed in *Schedule 2*) or money of the States. *Article 40* relates to accountable officers for non-Ministerial States bodies. *Article 41* states that the Principal Accountable Officer and accountable officers are accountable to the States' Public Accounts Committee for the exercise of their functions.

*Article 42* requires persons who are involved in the administration of money of the States to provide information or produce a record at the request of the Council of Ministers, the Minister, the Treasurer, the Principal Accountable Officer or an accountable officer acting in accordance with the functions under the Law.

*Part 6* (consisting of *Articles 43 to 46*) relates to the Fiscal Policy Panel.

*Article 43* continues the Fiscal Policy Panel established under the previous Law, and sets out the process under which members of the Panel may be appointed or have their appointment revoked. Under *Article 44*, the Panel is not subject to any direction as to the performance of its functions under the Law.

*Article 45* requires that the Panel must prepare an annual report on the state of the economy in Jersey and on the States' finances as set out in each government plan.

*Article 46* requires the Panel to prepare and publish a report on any matter related to the States' finances at the request of the Council of Ministers or the Minister.

*Part 7* (consisting of *Articles 47 to 52*) contains provisions relating to offences.

*Article 47* sets out the offence of failure to provide information or produce a record when required to do so under *Article 42* (the details of which are described above). A person who is guilty of this offence is liable to a fine of up to £10,000 (level 3 on the standard scale established by the Criminal Justice (Standard Scale of Fines) (Jersey) Law 1993).

*Article 48* sets out the offences of –

- knowingly providing false, misleading or incomplete information when required to do so under *Article 42*; and

- destroying or altering a record, with intent to deceive, when required to produce the record under Article 42 or knowing that the record may be required to be produced under that Article.

A person who is guilty of an offence under *Article 48* is liable to imprisonment for up to 5 years, to an unlimited fine, or to both.

*Article 49* sets out the offence of hindering or obstructing a person in the exercise by that person of a function under the Law. A person guilty of this offence is liable to imprisonment for up to 6 months, to a fine of up to £10,000 (level 3 on the standard scale), or to both.

*Article 50* provides parameters on the obligation to provide information or produce a record under the Law. It specifies, among other things, that nothing in the Law requires a person to provide information or produce a record if the person would be entitled to refuse provision or production on the grounds of legal professional privilege.

*Article 51* authorises the Royal Court to order compliance with a requirement to provide information or produce a record under Article 42 if a person fails to comply with the requirement.

*Article 52* extends liability for an offence committed by a body corporate to the body corporate's officers if the offence is proved to have been committed with the officer's consent or is attributable to any neglect on the part of the officer. A person who aids, abets, counsels or procures the commission of an offence is liable in the same manner as a principal offender for the offence.

*Part 8* (consisting of *Articles 53* to *66*) contains miscellaneous provisions.

*Article 53* specifies that the Minister may exercise the rights attached to shares in a company on behalf of the States, and that the Minister is responsible to the States for the financial interests of the States in a company that is an independently audited States body (within the meaning of the Comptroller and Auditor General (Jersey) Law 2014).

*Article 54* limits a person's liability for an act done in the discharge or purported discharge of a function under the Law unless the act is done in bad faith or is unlawful under Article 7(1) of the Human Rights (Jersey) Law 2000.

*Article 55* authorises the States to amend the Law, other than Part 7 (offences and related provisions), by Regulations. *Article 56* authorises the Minister to make, by Order, certain amendments to Schedules 2, 3 and 5 to the Law. *Article 57* authorises the States to make any Regulations that are necessary or expedient to bring the Law into effect.

*Article 58* continues the application of the previous Law to money received, expended or otherwise handled by or on behalf of the States during the financial year in which the Law comes into force. It also continues the application of financial directions and the investment strategy made under the previous Law until the Public Finances Manual is issued and an investment strategy is presented by the Minister, respectively.

*Article 59* continues appropriations, borrowing, guarantees or indemnities done under the previous Law.

*Article 60* and *Article 61* continue, respectively, the insurance fund and special funds established under the previous Law as funds established under Article 4. *Article 62* continues States trading operations designated under the previous Law, and carries forward amounts appropriated under the previous Law for capital projects from trading funds.



*Article 63* continues the appointment, made under the previous Law, of the current Treasurer, accountable officers and members of the Fiscal Policy Panel.

*Article 64* sets out that *Schedule 6* contains consequential amendments.

*Article 65* repeals the previous Law.

*Article 66* names the Law and states that the Law is to come into force on a day to be specified by Order of the Minister.

*Schedule 1* lists non-Ministerial States bodies.

*Schedule 2* lists specified organisations.

*Schedule 3* lists taxes and duties that are not covered by the definition “taxation draft” for the purposes of the Law.

*Schedule 4* sets out rules related to withdrawals from the Strategic Reserve Fund for the purposes of a new hospital.

*Schedule 5* lists States funds for which information must be included in a government plan.

*Schedule 6* sets out consequential amendments to other Laws and Regulations.





Jersey

## DRAFT PUBLIC FINANCES (JERSEY) LAW 201-

### Arrangement

#### Article

<b>PART 1</b>	<b>23</b>
INTRODUCTION	23
1 Interpretation .....	23
2 Designation of States trading operation .....	25
<b>PART 2</b>	<b>25</b>
THE FUNDS	25
3 Consolidated Fund.....	25
4 Strategic Reserve Fund.....	25
5 Stabilisation Fund.....	26
6 Establishment of other funds.....	26
7 Enactments relating to States funds.....	26
8 Winding up of States funds .....	27
<b>PART 3</b>	<b>27</b>
FINANCIAL PLANNING AND AUTHORITY TO SPEND	27
<i>Government plan and taxation drafts</i>	27
9 Preparation and lodging of government plan .....	27
10 Proposed appropriations for non-Ministerial States bodies.....	28
11 Lodging of taxation draft.....	29
12 Taxation draft may be given immediate effect.....	29
13 Amendment to lodged government plan .....	30
<i>Approval of government plan</i>	31
14 Limitations on approval .....	31
15 Effect of approval.....	31
16 Amendment to an approved government plan .....	32
<i>Supplementary powers</i>	32
17 Approval still pending at start of financial year .....	32
18 Power to re-allocate.....	33
19 Power to transfer amounts to following year's reserve .....	33
20 Power to transfer major project amounts to following year .....	33
21 Power to allocate excess income .....	33

22	Limitations on powers – non-Ministerial States bodies and States trading operations.....	34
23	Semi-annual updates .....	34
	<i>Emergency expenditures</i>	35
24	Authority to withdraw a specified amount.....	35
<b>PART 4</b>		<b>35</b>
<hr/>		
GENERAL POWERS OF THE MINISTER		35
25	Investment of money.....	35
26	Financing .....	36
27	Loans.....	36
28	Guarantees and indemnities .....	37
29	No effect on other authorities .....	37
<b>PART 5</b>		<b>37</b>
<hr/>		
ADMINISTRATION		37
	<i>The Minister</i>	37
30	Functions of the Minister .....	37
31	Public Finances Manual.....	37
	<i>The Treasurer</i>	37
32	Office of the Treasurer.....	37
33	Appointment and removal.....	38
34	Independence .....	38
35	Report on a person’s actions .....	39
36	Treasurer may authorise others to carry out functions.....	39
37	Annual financial statements .....	39
	<i>Accountable officers</i>	40
38	Principal Accountable Officer .....	40
39	Functions of the Principal Accountable Officer .....	40
40	Accountable officers for non-Ministerial States bodies.....	41
41	Accountable to the States.....	41
	<i>Information and records</i>	41
42	Duty to provide information and produce records .....	41
<b>PART 6</b>		<b>42</b>
<hr/>		
FISCAL POLICY PANEL		42
43	Fiscal Policy Panel continued .....	42
44	Independence .....	43
45	Annual report.....	43
46	Other reports .....	44
<b>PART 7</b>		<b>44</b>
<hr/>		
OFFENCES AND RELATED PROVISIONS		44
47	Failure to provide information or produce a record.....	44
48	False information or destruction of a record.....	44
49	Hindrance or obstruction.....	44

50	Privilege, protection and self-incrimination .....	45
51	Royal Court may order compliance.....	45
52	Responsibility.....	45

---

## **PART 8** **46**

### MISCELLANEOUS PROVISIONS 46

53	Minister's responsibility in respect of certain companies.....	46
54	Limitation of civil liability .....	46
55	Power to amend Law by Regulations.....	46
56	Power to amend Schedules by Order .....	47
57	Regulations containing transitional provisions .....	47
58	Continuing application of previous Law .....	47
59	Expenditures carried forward .....	48
60	Insurance fund continued .....	48
61	Special funds under previous Law continued.....	49
62	States trading operations .....	49
63	Appointments continued .....	50
64	Consequential amendments.....	50
65	Previous Law repealed .....	50
66	Citation and commencement.....	50

---

## **SCHEDULE 1** **51**

### NON-MINISTERIAL STATES BODIES 51

---

## **SCHEDULE 2** **52**

### SPECIFIED ORGANISATIONS 52

---

## **SCHEDULE 3** **53**

### TAXATION DRAFT EXCEPTIONS 53

---

## **SCHEDULE 4** **54**

### SPECIFIC WITHDRAWALS FROM STRATEGIC RESERVE FUND 54

1	Interpretation .....	54
2	Withdrawal in accordance with P.107/2017.....	54
3	Minister's Report.....	54
4	Transfer on winding up .....	54

---

## **SCHEDULE 5** **55**

### STATES FUNDS FOR WHICH ESTIMATES MUST BE INCLUDED IN A GOVERNMENT PLAN 55

---

## **SCHEDULE 6** **56**

### CONSEQUENTIAL AMENDMENTS 56

1	Air and Sea Ports (Incorporation) (Jersey) Law 2015.....	56
2	Civil Aviation (Jersey) Law 2008 .....	56

---

3	Postal Services (Transfer) (Jersey) Regulations 2006 .....	56
4	Costs in Criminal Cases (Jersey) Law 1961 .....	56
5	Proceeds of Crime (Jersey) Law 1999 .....	56
6	Banking Business (Jersey) Law 1991 .....	56
7	Banking Business (Depositors Compensation) (Jersey) Regulations 2009 .....	57
8	Dormant Bank Accounts (Jersey) Law 2017 .....	57
9	Financial Services Ombudsman (Jersey) Law 2014 .....	57
10	Commissioner for Standards (Jersey) Law 2017 .....	57
11	Employment of States of Jersey Employees (Jersey) Law 2005 .....	57
12	Public Employees (Pensions) (Jersey) Law 2014 .....	58
13	Public Employees (Pension Scheme) (Administration) (Jersey) Regulations 2015 .....	58
14	Standing Orders of the States of Jersey .....	58
15	Civil Asset Recovery (International Co-operation) (Jersey) Law 2007.....	60
16	Control of Housing and Work (Jersey) Law 2012.....	61
17	Control of Housing and Work (Fees) (Jersey) Order 2013.....	61
18	Social Housing (Transfer) (Jersey) Law 2013 .....	61
19	States of Jersey Police Force Law 2012.....	61
20	Comptroller and Auditor General (Jersey) Law 2014 .....	61
21	Currency Notes (Jersey) Law 1959.....	62
22	Goods and Services Tax (Jersey) Regulations 2007 .....	63
23	Rates (Jersey) Law 2005.....	63
24	Health Insurance (Jersey) Law 1967.....	63
25	Long-Term Care (Jersey) Law 2012.....	63
26	Long-Term Care (States Contribution) (Jersey) Regulations 2013 .....	64
27	Social Security (Jersey) Law 1974.....	64



Jersey

## DRAFT PUBLIC FINANCES (JERSEY) LAW 201-

A LAW to provide for the administration of the public finances of Jersey and for related purposes.

*Adopted by the States* [date to be inserted]

*Sanctioned by Order of Her Majesty in Council* [date to be inserted]

*Registered by the Royal Court* [date to be inserted]

**THE STATES**, subject to the sanction of Her Most Excellent Majesty in Council, have adopted the following Law –

### PART 1

#### INTRODUCTION

##### 1 Interpretation

In this Law –

“Council of Ministers” has the same meaning as Article 1(1) of the States of Jersey Law 2005<sup>1</sup>;

“financial year” means a year starting on 1st January;

“function” includes a power and a duty;

“government plan” means a plan prepared and lodged by the Council of Ministers under Article 9;

“head of expenditure” means the particular purpose or subject (including a major project), set out in a government plan, in respect of which an amount appropriated under the plan may be spent in a financial year;

“lodge” means lodge au Greffe in accordance with standing orders made under the States of Jersey Law 2005;

“major project” means –

- (a) a capital project the duration of which, from start to finish, is planned to be of more than one year and the total cost of which is planned to be of more than £5 million; or

- (b) a project that has been designated as a major project under an approved government plan;

“Minister” means the Minister for Treasury and Resources;

“non-Ministerial States body” means a body listed in Schedule 1;

“Panel” means the Fiscal Policy Panel continued under Article 43(1);

“previous Law” means the Public Finances (Jersey) Law 2005<sup>2</sup>;

“record” means information recorded in any form;

“specified organisation” means an entity listed in Schedule 2;

“States” means the States of Jersey constituted under Article 2 of the States of Jersey Law 2005;

“States body” means –

- (a) a Ministry, department or other administration of the States;
- (b) a non-Ministerial States body;
- (c) a committee or other body established by an Act of the States; or
- (d) any other holder of a Crown or States appointment funded by the States, including any associated administration of the holder;

“States’ employee” has the same meaning as in the Employment of States of Jersey Employees (Jersey) Law 2005<sup>3</sup>;

“States fund” means –

- (a) the Consolidated Fund;
- (b) the Strategic Reserve Fund;
- (c) the Stabilisation Fund;
- (d) any fund established under Article 6, including a States trading operation’s fund; or
- (e) any fund, established or continued under another enactment or an Act of the States, in which money of the States is held,

but does not include trust assets;

“States trading operation” means a States body or an area of operation of a States body that is designated under Article 2;

“taxation draft” means a provision of draft legislation that provides for any of the following –

- (a) the imposition of a tax or duty;
- (b) the variation of a tax or duty;
- (c) the renewal of a tax or duty (whether at the same or at a different rate and whether with or without modification);
- (d) the abolition of a tax or duty,

but does not include a provision of draft legislation relating to the taxes and duties set out in Schedule 3;

“Treasurer” means the person holding or exercising the functions of the office of Treasurer of the States referred to in Article 32;

“trust assets” means –



- (a) property in a legacy or bequest in favour of the States;
- (b) property held in trust for the States;
- (c) property held by the States or a States body on behalf of a person;  
or
- (d) unclaimed property that is due to or belongs to a person other than the States and that has been deposited with the States.

## **2 Designation of States trading operation**

- (1) Any States body or area of operation of a States body may be designated as a States trading operation under an approved government plan.
- (2) A fund must be established under Article 6(1) for each States trading operation.
- (3) It is a term of each States trading operation's fund that amounts must not be withdrawn from it except in accordance with an approved government plan.
- (4) Subject to an approved government plan, any income earned by a States trading operation in a financial year in excess of its expenditures for that year must be paid into its fund.

## **PART 2**

### **THE FUNDS**

## **3 Consolidated Fund**

- (1) The Consolidated Fund established under the previous Law is continued.
- (2) All money received by or on behalf of the States is to be credited to the Consolidated Fund, except as otherwise provided by this Law or by another enactment.
- (3) Money must not be withdrawn from the Consolidated Fund and used for any purpose except in accordance with an approved government plan or as otherwise provided by this Law or another enactment.
- (4) With the approval of the Treasurer, money may be withdrawn from the Consolidated Fund to incur expenditure that will afterwards be charged to a head of expenditure set out in an approved government plan.
- (5) Money forming part of trust assets must not be paid into, and does not form part of, the Consolidated Fund.

## **4 Strategic Reserve Fund**

- (1) The Strategic Reserve Fund established under the previous Law is continued.
- (2) No amount may be withdrawn from the Strategic Reserve Fund unless the amount is withdrawn –

- (a) for the purpose of transferring it to another States fund; and
  - (b) in accordance with an approved government plan or a decision of the States made on a proposition lodged by the Minister.
- (3) An amount may be credited to the Strategic Reserve Fund in accordance with an approved government plan or a decision of the States made on a proposition lodged by the Minister.
- (4) Despite paragraph (2), an amount may be withdrawn from the Strategic Reserve Fund in accordance with Schedule 4.

## **5 Stabilisation Fund**

- (1) The Stabilisation Fund referred to in Article 4A of the previous Law is continued.
- (2) No amount may be withdrawn from the Stabilisation Fund unless the amount is withdrawn –
- (a) for the purpose of transferring it to another States fund; and
  - (b) in accordance with an approved government plan or a decision of the States made on a proposition lodged by the Minister.
- (3) An amount may be credited to the Stabilisation Fund in accordance with an approved government plan or a decision of the States made on a proposition lodged by the Minister.

## **6 Establishment of other funds**

- (1) The States may, on a proposition lodged by or with the consent of the Minister, establish a fund for specific purposes.
- (2) When establishing a fund under this Article, the States must specify the purpose of the fund, the fund's terms and the circumstances in which the fund may be wound up.
- (3) When establishing a fund under this Article, the States may –
- (a) permit money received in respect of the fund to be credited to it;
  - (b) authorise the Minister or the Treasurer –
    - (i) to obtain financing for the benefit of the fund,
    - (ii) to lend money from the fund, and
    - (iii) to provide a guarantee or indemnity from the fund.
- (4) The States may, on a proposition lodged by or with the consent of the Minister, vary the purpose or terms of a fund established under this Article or the circumstances in which the fund may be wound up.

## **7 Enactments relating to States funds**

An enactment that would establish a States fund, vary a States fund's purposes or terms or wind up a States fund may be lodged only by or with the consent of the Minister.

**8 Winding up of States funds**

On the winding up of a States fund other than the Consolidated Fund, any remaining balance must be transferred to the Consolidated Fund.

**PART 3****FINANCIAL PLANNING AND AUTHORITY TO SPEND***Government plan and taxation drafts***9 Preparation and lodging of government plan**

- (1) Each financial year, the Council of Ministers must prepare a government plan and lodge it in sufficient time for the States to debate and approve it before the start of the next financial year.
- (2) The government plan must set out –
  - (a) the estimated income to be paid into the Consolidated Fund in the next financial year;
  - (b) the proposed amount of any transfer of money from one States fund to another during the next financial year;
  - (c) the amount of any other proposed financing to be obtained for the next financial year;
  - (d) each major project, and each project that is to be designated as a major project, that –
    - (i) is proposed to be started in the next financial year, and
    - (ii) has not previously been set out in an approved government plan;
  - (e) the proposed total cost, from start to finish, of each project referred to in sub-paragraph (d);
  - (f) any amendment to the proposed total cost, from start to finish, of a major project that was set out in or designated under a previously approved government plan;
  - (g) the proposed amount to be appropriated from the Consolidated Fund for the next financial year, per head of expenditure;
  - (h) the estimated income from each States trading operation to be paid into its fund in the next financial year; and
  - (i) the proposed amount to be appropriated from each States trading operation's fund for the next financial year, per head of expenditure.
- (3) The government plan must also set out, more generally –
  - (a) the estimated income to be paid into the Consolidated Fund in the 3 financial years following the next financial year;
  - (b) the estimated amount of any proposed transfer of money from one States fund to another during each of those 3 financial years;

- 
- (c) the estimated amount of any other proposed financing to be obtained for each of those 3 financial years;
  - (d) the total estimated expenditures from the Consolidated Fund for each of those 3 financial years;
  - (e) the estimated expenditures from the Consolidated Fund for each major project to be carried out in each of those 3 financial years;
  - (f) the estimated income from each States trading operation to be paid into its fund for each of those 3 financial years; and
  - (g) the total estimated expenditures from each States trading operation's fund for each of those 3 financial years.
- (4) The government plan must also include –
- (a) the estimated amounts that will be in each of the States funds listed in Schedule 5 at the start and at the end of each of the 4 financial years covered by the plan; and
  - (b) any other information that the Council of Ministers believes that the States may reasonably be expected to need in order to consider the matters mentioned in paragraphs (2) and (3) and sub-paragraph (a).
- (5) The Council of Ministers must not lodge a government plan that shows a negative balance in the Consolidated Fund at the end of any of the financial years covered by the plan.
- (6) The Council of Ministers must –
- (a) in preparing the government plan, take into account the medium-term and long-term sustainability of the States' finances and the outlook for the economy in Jersey; and
  - (b) set out in the government plan how the proposals in the government plan take those matters into account.
- (7) The government plan may include a reserve as a head of expenditure.
- (8) The government plan may, in relation to a head of expenditure, set out an amount of the estimated income to be earned by, or be attributable to, a specified States body or area of operation of a States body in the next financial year.
- (9) The Council of Ministers may –
- (a) in preparing the government plan, take into account the sustainable well-being (including the economic, social, environmental and cultural well-being) of the inhabitants of Jersey over successive generations; and
  - (b) set out in the government plan how the proposals in the plan take that sustainable well-being into account.

## **10 Proposed appropriations for non-Ministerial States bodies**

- (1) A government plan lodged by the Council of Ministers must set out, as the proposed amount referred to in Article 9(2)(g) to be appropriated in relation to the operations of a non-Ministerial States body for the next

financial year, the amount that is submitted to the Council of Ministers by –

- (a) the chairman of the States' Public Accounts Committee, in the case of the office of the Comptroller and Auditor General;
  - (b) the chairman of the States' Privileges and Procedures Committee, in the case of the States Greffe; and
  - (c) the non-Ministerial States body, in the case of any other non-Ministerial States body.
- (2) The Council of Ministers may include, in the government plan, a statement indicating whether or not the Council supports any of the submitted amounts referred to in paragraph (1).
  - (3) For the avoidance of doubt, the amounts set out in the government plan under this Article may be the subject of an amendment under Article 13.

## **11 Lodging of taxation draft**

- (1) If a lodged government plan proposes imposing or varying a tax for the next financial year, the Minister must lodge draft legislation containing a taxation draft that implements the proposal in sufficient time for the taxation draft to be debated and approved by the States before the start of that financial year.
- (2) Paragraph (1) does not prevent the Minister from lodging other draft legislation containing a taxation draft at any time.
- (3) If, at any time, the States approve a proposition that suggests that a taxation draft should be lodged and the Minister does not lodge draft legislation containing a taxation draft in sufficient time for it to be debated before the time when it should have effect, the Minister must explain why he or she has not lodged it.
- (4) Only the Minister may lodge draft legislation that contains a taxation draft.

## **12 Taxation draft may be given immediate effect**

- (1) The States may by Act declare that, on the Act being made, a taxation draft in a draft Law has effect as if the draft Law had been passed by the States, confirmed by Her Majesty in Council and registered in the Royal Court.
- (2) The States may extend the application of the Act to an ancillary provision that is contained in the same draft Law.
- (3) An Act referred to in paragraph (1) may be made at any time after the taxation draft to which it relates has been lodged.
- (4) If a taxation draft which has effect under paragraph (1) provides for the renewal of an existing tax, any enactment which was in force in respect of the tax as last imposed has full force and effect with respect to the renewed tax, subject to any taxation draft or ancillary provision which also has effect under paragraph (1).

- 
- (5) If, after an Act has been made under paragraph (1), a taxation draft or ancillary provision given effect by the Act is amended before it is confirmed by Her Majesty in Council, money that is paid or deducted in respect of it but that would not have been paid or deducted in respect of the version as amended and confirmed must be repaid or made good.
- (6) If, after an Act has been made under paragraph (1), a taxation draft or ancillary provision given effect by the Act is not adopted by the States or is not confirmed by Her Majesty in Council, any money paid or deducted under it must be repaid or made good.
- (7) In this Article –
- (a) an “ancillary provision” is a provision in a draft Law that provides for –
- (i) the collection and administration of a tax,
  - (ii) the proper administration of matters connected with the imposition of a tax,
  - (iii) the interpretation, application, effect or commencement of a taxation draft,
  - (iv) consequential amendments, transitional arrangements or savings that are supplemental to a taxation draft being given effect; and
- (b) a reference to a taxation draft or ancillary provision includes any amendment to a taxation draft or ancillary provision that is adopted by the States before the Act is declared.

### **13 Amendment to lodged government plan**

- (1) An amendment to a lodged government plan may, in addition to proposing the amendment to the plan, propose –
- (a) the amendment of any enactment that imposes a tax or provides for the administration of a tax (whether or not the Minister has lodged a taxation draft that would amend the enactment); or
  - (b) the imposition of a new tax.
- (2) A person, committee or panel who proposes an amendment to any element, referred to in Article 9(2), of a lodged government plan must –
- (a) before proposing the amendment, consult with the Minister for the purposes of the Minister making a determination of the impact of the amendment on –
    - (i) the States’ finances,
    - (ii) the medium-term and long-term sustainability of the States’ finances and the outlook for the economy in Jersey, and
    - (iii) the sustainable well-being of the inhabitants of Jersey over successive generations, if the Council of Ministers referred to that well-being in the plan under Article 9(9); and
  - (b) lodge, with the amendment, the Minister’s determination made under sub-paragraph (a) unless the Minister declines to make the determination.

---

*Approval of government plan***14 Limitations on approval**

The States may not approve a government plan that would –

- (a) show a negative balance in the Consolidated Fund at the end of the first financial year covered by the plan;
- (b) authorise the transfer of money between one States fund and another in a manner that is inconsistent with any enactment or with the terms of a States fund; or
- (c) authorise the obtaining of financing, or the transfer of money from one States fund to another, to which the Minister has not given his or her consent.

**15 Effect of approval**

(1) The approval by the States of a government plan is an approval of the appropriations, financing and transfers set out in the plan for the first financial year it covers, such that in that year –

- (a) an amount of not more than an approved appropriation may be withdrawn from the Consolidated Fund and spent in accordance with the plan;
- (b) a States body or area of operation specified under Article 9(8) may withdraw from the Consolidated Fund an amount, to be spent on the related head of expenditure, of not more than the lesser of –
  - (i) the amount of income that is earned by, or is attributable to, the States body or area of operation in that year, and
  - (ii) the amount, set out in the plan under Article 9(8) in relation to the head of expenditure, of the estimated income of the States body or area of operation;
- (c) a States trading operation may withdraw from its fund an amount of not more than the approved appropriation and spend it in accordance with the plan;
- (d) the Minister may arrange financing in accordance with the plan; and
- (e) money may be transferred between States funds in accordance with the plan.

(2) The approval by the States of a government plan is also an approval of –

- (a) the designation of a project, set out in the plan, that is to be designated as a major project;
- (b) the undertaking of the major projects that are set out in, or designated under, the plan; and
- (c) the proposed total cost, from start to finish, of each of those major projects.

- (3) The approval by the States of a government plan authorises the Minister to direct how an approved appropriation for a reserve head of expenditure in the plan may be spent (including on another head of expenditure) in the first financial year covered by the plan.
- (4) For the avoidance of doubt, approval by the States of a government plan is not an approval of any appropriations, financing or transfers for the years following the first financial year covered by the plan.

## **16 Amendment to an approved government plan**

- (1) The States may amend an approved government plan only on a proposition lodged by the Council of Ministers.
- (2) A proposition to amend an approved government plan must not result in the plan showing a negative balance in the Consolidated Fund at the end of any financial year covered by the plan.

### *Supplementary powers*

## **17 Approval still pending at start of financial year**

- (1) This Article applies if the States have not approved a lodged government plan before the start of the first financial year covered by the plan.
- (2) For each month of that year during which the government plan remains unapproved, an amount up to the maximum set out in paragraph (4) may be withdrawn from the Consolidated Fund in respect of a proposed head of expenditure set out in the unapproved plan if there is an equivalent head of expenditure set out in the most recently approved government plan.
- (3) For each month of that year during which the government plan remains unapproved, a States trading operation may withdraw an amount up to the maximum set out in paragraph (4) from its fund in respect of a proposed head of expenditure set out in the unapproved plan if there is an equivalent head of expenditure, under which an amount is appropriated from that fund, set out in the most recently approved government plan.
- (4) The maximum referred to in paragraphs (2) and (3) is 1/12th of the amount of the appropriation for the equivalent head of expenditure set out in the most recently approved government plan.
- (5) Articles 18 and 22 apply, with any modifications that the circumstances require, with respect to heads of expenditure in the unapproved government plan.
- (6) Paragraphs (2) and (3) cease to apply as soon as the States approves the government plan referred to in paragraph (1), and in that case any amounts withdrawn under this Article are treated as being withdrawn under that plan.



**18 Power to re-allocate**

- (1) Despite an approved government plan, the Minister may direct that a specified amount appropriated under the plan for one head of expenditure be allocated to another head of expenditure that is –
  - (a) set out in the plan; or
  - (b) a new head of expenditure relating to a major project set out in, or designated by, the plan or a previously approved government plan.
- (2) The specified amount may be withdrawn from the Consolidated Fund and spent on that other head of expenditure in the same financial year for which the amount was appropriated, as if the amount had been appropriated for that other head of expenditure.
- (3) For the avoidance of doubt, the total amount appropriated for the original head of expenditure is decreased by the specified amount.
- (4) The Minister must give the States at least 2 weeks' notice of the day on which the Minister proposes to give a direction under this Article and, if a proposition objecting to the proposed direction is lodged before that day, the Minister must not give the direction unless and until the States reject the proposition or the proposition is withdrawn.
- (5) If a direction under this Article would affect a head of expenditure that relates to the responsibilities of any Minister, that Minister must be consulted before the direction is made.

**19 Power to transfer amounts to following year's reserve**

Despite an approved government plan, the Minister may direct that an unspent amount appropriated for a head of expenditure in one financial year be deemed to be appropriated for a reserve head of expenditure for the following financial year.

**20 Power to transfer major project amounts to following year**

Despite an approved government plan, the Minister may direct that an unspent amount appropriated for a head of expenditure for a major project in one financial year is deemed to be appropriated for a head of expenditure for that major project for the following financial year.

**21 Power to allocate excess income**

- (1) This Article applies if –
  - (a) an approved government plan includes, under Article 9(8), the estimated income that will be earned by, or be attributable to, a States body or by an area of operation of a States body during the first financial year covered by the plan; and
  - (b) income in excess of that estimate is earned by, or attributable to, the States body or area of operation during that financial year.

- (2) Despite the approved government plan, the Minister may direct that the excess income referred to in paragraph (1)(b) be allocated to a head of expenditure set out in the plan.
- (3) The amount subject to the Minister's direction may be withdrawn from the Consolidated Fund and spent on that head of expenditure in the first financial year covered by the approved government plan, as if the amount had been appropriated for that head of expenditure.

## **22 Limitations on powers – non-Ministerial States bodies and States trading operations**

- (1) The Minister may give a direction under any of Articles 18 to 21 with respect to a head of expenditure that relates to the operations of a non-Ministerial States body only with the approval of –
  - (a) the chairman of the States' Public Accounts Committee, in the case of the Comptroller and Auditor General;
  - (b) the chairman of the States' Privileges and Procedures Committee, in the case of the States Greffe; or
  - (c) the accountable officer of the non-Ministerial States body, in any other case.
- (2) Amounts appropriated from a States trading operation's fund may only be allocated under Article 18 to –
  - (a) another head of expenditure, set out in the plan, for which amounts are appropriated from that fund, or
  - (b) a new head of expenditure relating to a major project, described in Article 18(1)(b), that is being undertaken by the States trading operation.
- (3) Articles 19 and 21 do not apply with respect to amounts appropriated in relation to a States trading operation from the Consolidated Fund or its fund.

## **23 Semi-annual updates**

- (1) The Minister must, in accordance with paragraph (2), prepare and present to the States a written statement setting out –
  - (a) each function undertaken, within the applicable 6-month period referred to in paragraph (2), under any of Articles 18 to 21 and 26 to 28; and
  - (b) each direction given, within the applicable 6-month period referred to in paragraph (2), by the Minister under Article 15(3) with respect to the amounts appropriated for a reserve head of expenditure.
- (2) The Minister must present the statement in respect of the first 6 months of a financial year no later than 31st August of that year, and must present the statement in respect of the second 6 months of the financial year no later than the last day of February of the next year.

---

*Emergency expenditures***24 Authority to withdraw a specified amount**

- (1) Despite an approved government plan, the Minister may authorise the withdrawal of a specified amount from the Consolidated Fund if he or she is satisfied that –
  - (a) the circumstances described in paragraph (2) require an immediate expenditure; and
  - (b) no other amount, or an insufficient amount, may be withdrawn from the Consolidated Fund under the applicable approved government plan.
- (2) The circumstances referred to in paragraph (1)(a) are –
  - (a) a state of emergency has been declared under the Emergency Powers and Planning (Jersey) Law 1990<sup>4</sup>; or
  - (b) the Minister is satisfied that there exists an immediate threat to the health or safety of any of the inhabitants of Jersey, to the stability of the economy in Jersey or to the environment.
- (3) The Minister must present a notice to the States of a withdrawal under paragraph (1) as soon as is practicable after it occurs.
- (4) If the amount specified under paragraph (1) is less than £10 million, the Minister may, despite the approved government plan, direct that the amount be appropriated from the Consolidated Fund.
- (5) If the amount specified under paragraph (1) is £10 million or more, the applicable approved government plan must be amended accordingly under Article 16.

**PART 4****GENERAL POWERS OF THE MINISTER****25 Investment of money**

- (1) The Minister may cause any money of the States or money held by the States or a States body to be invested.
- (2) However –
  - (a) money of a States fund must not be invested in a manner that is inconsistent with any applicable enactment or instrument that establishes the fund; and
  - (b) money held in trust must not be invested in a manner that is inconsistent with the trust.
- (3) The Minister must present to the States an investment strategy in respect of any money to be invested, and must do the same for any amendment to the strategy.

- 
- (4) In preparing the investment strategy or any amendment to it, the Minister must consult a person who is suitably qualified to provide investment advice.
  - (5) The Treasurer must, in consultation with a person who is suitably qualified to provide investment advice, ensure that the investment of any money under this Article is done in accordance with the Minister's investment strategy.
  - (6) Despite any other provision of this Law –
    - (a) any profit arising from the investment of money of a States fund or trust under this Article is to be credited to that fund or trust; and
    - (b) any loss arising from the investment of money of a States fund or trust under this Article and any investment costs are taken to have been lawfully withdrawn from that fund or trust.
  - (7) In paragraph (6)(b), “investment costs” includes the fees charged by a person qualified to provide investment advice, other fees paid in relation to obtaining investment advice and administrative fees and costs.

## **26 Financing**

- (1) The Minister may, in the name of the States –
  - (a) arrange for a bank overdraft or bank overdraft facility; and
  - (b) obtain other financing.
- (2) The total amount of financing under paragraph (1)(b) that may be obtained in a financial year must not exceed £3 million, to be calculated without reference to any interest or premium that may be charged with respect to the financing.
- (3) The total outstanding amount of financing under paragraph (1)(b) at any given time must not exceed £20 million, to be calculated without reference to any interest or premium that may be charged with respect to the financing.

## **27 Loans**

- (1) The Minister may, in the name of the States, lend money from the Consolidated Fund.
- (2) The total amount of all loans under paragraph (1) that may be made during a financial year must not exceed £3 million, to be calculated without reference to any interest or premium that may be charged with respect to the loans.
- (3) The total outstanding amount of all loans under paragraph (1) at any given time must not exceed £20 million, to be calculated without reference to any interest or premium that may be charged with respect to the loans.

**28 Guarantees and indemnities**

- (1) The Minister may, in the name of the States, provide guarantees or indemnities.
- (2) The total amount of all guarantees and indemnities under paragraph (1) that may be provided during a financial year must not exceed £3 million.
- (3) The total outstanding amount of all guarantees and indemnities under paragraph (1) at any given time must not exceed £20 million.

**29 No effect on other authorities**

Nothing in any of Articles 26 to 28 limits or otherwise affects any authority under an approved government plan, another enactment or an Act of the States to obtain financing, lend money or provide guarantees or indemnities.

**PART 5****ADMINISTRATION***The Minister***30 Functions of the Minister**

The Minister must ensure that the public finances of Jersey are regulated, controlled and supervised in accordance with this Law and that the provisions of this Law are otherwise duly complied with.

**31 Public Finances Manual**

- (1) The Minister is to issue a Public Finances Manual and make it publicly available.
- (2) The Minister may amend the Public Finances Manual.
- (3) The Public Finances Manual may include directions and information with respect to the proper administration of this Law and of the public finances in Jersey.
- (4) The Minister may delegate the functions set out in paragraphs (1) and (2) to the Treasurer.

*The Treasurer***32 Office of the Treasurer**

- (1) The office of the Treasurer of the States established under the previous Law is continued.
- (2) The Treasurer is responsible to the Minister for –
  - (a) supervising the administration of this Law;

- (b) ensuring the proper stewardship and administration of the public finances of Jersey; and
  - (c) establishing a system of internal auditing in support of that stewardship and administration and advising the Comptroller and Auditor General, as well as the Principal Accountable Officer (if appropriate), of the results of internal audits carried out under that system.
- (3) The Treasurer is the chief officer of the States body, or area of operation of a States body, that is assigned to support the functions set out in paragraphs (2)(a) to (c).

### **33 Appointment and removal**

- (1) The Treasurer is to be appointed by the Minister after the Minister has consulted the Chief Minister.
- (2) Before appointing a person to the office of Treasurer, the Minister must seek the views of the Jersey Appointments Commission (established under the Employment of States of Jersey Employees (Jersey) Law 2005<sup>5</sup>) on the appointment.
- (3) The Minister must, at least 2 weeks before appointing a person to the office of Treasurer, present to the States a notice of his or her intention to make the appointment.
- (4) The appointment of a person to the office of Treasurer may not be revoked except by the States on a proposition lodged by the Minister that alleges that the person –
  - (a) has been guilty of any malpractice;
  - (b) is incapable of the proper performance of the functions of the office; or
  - (c) is otherwise unsuitable to continue in office.
- (5) The States must –
  - (a) provide the Treasurer with an opportunity to respond to the allegations; and
  - (b) debate the proposition in camera.
- (6) The Minister may appoint a person to carry out the functions of the office of Treasurer while –
  - (a) the office is vacant; or
  - (b) the holder of the office is unable to perform the functions of the office.
- (7) The Minister must, as soon as practicable after a Treasurer resigns, present a notice of the resignation to the States.

### **34 Independence**

The Treasurer is not subject to any direction on how a function of his or her office is to be carried out, other than a direction that is set out in the Public Finances Manual.

**35 Report on a person's actions**

- (1) The Treasurer may provide the Greffier of the States with a written report on the actions of any person if the Treasurer is satisfied that the person has in any way dealt with any money of the States other than in accordance with –
  - (a) this Law or another enactment;
  - (b) an approved government plan;
  - (c) a decision of the States on a proposition; or
  - (d) the Public Finances Manual.
- (2) The Treasurer may provide the Council of Ministers with a written report on the actions of any person that relate to the administration of the public finances of Jersey under this Law.
- (3) Before preparing a report under paragraph (1) or (2), the Treasurer must give the person who is proposed to be subject of the report –
  - (a) notice of the Treasurer's intention to prepare the report; and
  - (b) an opportunity to make representations to the Treasurer regarding the actions of the person that are at issue.
- (4) The Treasurer must address in his or her report any representations made by the person under paragraph (3).
- (5) The Treasurer must give the Comptroller and Auditor General notice that the Treasurer plans to provide a report under paragraph (1) before it is so provided.
- (6) The Greffier must lay a report provided under paragraph (1) before the States.

**36 Treasurer may authorise others to carry out functions**

- (1) The Treasurer may authorise a States' employee, or a person under a contract for the provision of services with a States body, to carry out the Treasurer's functions on his or her behalf and in his or her name, subject to the conditions or limitations that he or she may specify.
- (2) An authorisation given under paragraph (1) does not affect the Treasurer's ability to carry out any function and may be revoked by him or her at any time.

**37 Annual financial statements**

The Treasurer must, within 3 months of the end of a financial year –

- (a) prepare a financial statement in respect of the accounts of the States for that financial year; and
- (b) send the statement to the Comptroller and Auditor General for auditing.

---

*Accountable officers***38 Principal Accountable Officer**

The Chief Executive Officer referred to in Article 3 of the Employment of States of Jersey Employees (Jersey) Law 2005<sup>6</sup> is the Principal Accountable Officer.

**39 Functions of the Principal Accountable Officer**

- (1) The Principal Accountable Officer has the following functions –
  - (a) ensuring the propriety and regularity of the finances of –
    - (i) States bodies, other than non-Ministerial States bodies,
    - (ii) specified organisations,
    - (iii) States funds, and
    - (iv) trust assets;
  - (b) ensuring that the resources of the bodies, organisations, funds or assets referred to in any of sub-paragraphs (a)(i) to (iv) are used economically, efficiently and effectively;
  - (c) subject to any other enactment, appointing an accountable officer to be responsible for such a body, organisation, fund or asset, or for a part of one;
  - (d) determining the functions of accountable officers and ensuring the performance of those functions, other than with respect to accountable officers referred to in Article 40;
  - (e) exercising the functions of an accountable officer, other than an accountable officer referred to in Article 40, if the accountable officer is unable to act for any reason or if no accountable officer is appointed in respect of such a body, organisation, fund or asset;
  - (f) making publicly available a list of the names of accountable officers, including those referred to in Article 40, as well as the name or description of the body, organisation, fund or asset for which each accountable officer is responsible.
- (2) The functions of an accountable officer determined by the Principal Accountable Officer under paragraph (1)(d) –
  - (a) must include the functions described in paragraphs (1)(a) and (b) with respect to the body, organisation, fund or asset for which the accountable officer is responsible; and
  - (b) are in addition to, or subject to, any functions specified in any enactment that apply with respect to that accountable officer.
- (3) The Principal Accountable Officer may determine different functions under paragraph (1)(d) for different accountable officers.
- (4) The Principal Accountable Officer must have regard to any relevant Act of the States in making an appointment under paragraph (1)(c).



- (5) A person appointed under paragraph (1)(c) must be a States' employee, or, in the case of a specified organisation, an employee of the organisation.
- (6) An appointment under paragraph (1)(c) must be by written notice and has effect when the appointed person receives a copy of the notice.
- (7) A copy of the notice must also be sent to the Comptroller and Auditor General and to the Treasurer.

#### **40 Accountable officers for non-Ministerial States bodies**

- (1) The chief officer of a non-Ministerial States body is also its accountable officer.
- (2) However, if the Minister is satisfied that there are exceptional circumstances that justify doing so and if the chief officer of a non-Ministerial States body agrees, the Minister may –
  - (a) appoint an officer of the non-Ministerial States body other than its chief officer to be its accountable officer; or
  - (b) appoint an additional accountable officer for the body from among its officers.
- (3) An appointment under paragraph (2) must be made by written notice and has effect when the appointed person receives a copy of the notice.
- (4) A copy of the notice must also be sent to the Comptroller and Auditor General, to the Treasurer and to the Principal Accountable Officer.
- (5) The functions of an accountable officer of a non-Ministerial States body include –
  - (a) ensuring the propriety and regularity of the body's finances; and
  - (b) ensuring that the body's resources are used economically, efficiently and effectively.

#### **41 Accountable to the States**

The Principal Accountable Officer and, except to the extent that an enactment specifies otherwise, accountable officers are accountable to the States' Public Accounts Committee for the performance of their functions.

#### *Information and records*

#### **42 Duty to provide information and produce records**

- (1) A person described in paragraph (3) must provide any information that he or she is able to provide, and must produce a record in his or her possession or under his or her control, when required to do so by any of the following acting in accordance with their functions under this Law –
  - (a) the Council of Ministers;
  - (b) the Minister;

- (c) the Treasurer;
  - (d) the Principal Accountable Officer or an accountable officer.
- (2) If a record is not in legible form, the obligation to produce the record under paragraph (1) includes the obligation to produce a version of it in legible form.
- (3) Paragraph (1) applies to the following persons –
- (a) the Principal Accountable Officer;
  - (b) an accountable officer;
  - (c) a States' employee;
  - (d) a person under a contract for the provision of services with the States or a States body;
  - (e) an employee of a specified organisation;
  - (f) a director, manager, secretary or other officer, an employee, or any other person responsible for the general control and management, of an organisation that –
    - (i) receives money of the States for the purpose of carrying out the organisation's activities, or
    - (ii) is owned or controlled by the States.

## **PART 6**

### **FISCAL POLICY PANEL**

#### **43 Fiscal Policy Panel continued**

- (1) The Fiscal Policy Panel established under the previous Law is continued.
- (2) There are to be at least 3 members of the Panel, to be appointed by the Minister.
- (3) A member is to be appointed for a term of not more than 5 years, but a person may be appointed as a member more than once.
- (4) The Minister must appoint as members of the Panel persons who have the appropriate qualifications and experience to discharge the functions described in Articles 45 and 46.
- (5) Before appointing a member of the Panel, the Minister must seek the views of the Jersey Appointments Commission (established by Article 17 of the Employment of States of Jersey Employees (Jersey) Law 2005<sup>7</sup>) on the appointment.
- (6) The Minister must, at least 2 weeks before appointing a member of the Panel, present to the States a notice of his or her intention to make the appointment.
- (7) The appointment of a member of the Panel may be revoked by the Minister if the member –
  - (a) has been made bankrupt;

- 
- (b) is incapable of the proper performance of the functions of a member; or
  - (c) is otherwise unsuitable to continue as a member.
- (8) Before revoking the appointment of the member, the Minister must give the member –
- (a) notice of the Minister’s intention to revoke the appointment; and
  - (b) an opportunity to make representations to the Minister regarding the proposed revocation.
- (9) The Minister must, as soon as practicable after revoking the appointment of a member of the Panel, present to the States a notice that the Minister has revoked the appointment.
- (10) The Minister must ensure that the Panel is provided with appropriate and sufficient resources, and must provide the Panel with the information that it reasonably requires, to allow it to discharge its functions.

#### **44 Independence**

The Panel is not subject to any direction as to the advice it gives, or to the comments and recommendations it makes, in the performance of its functions under this Law.

#### **45 Annual report**

- (1) Each year, the Panel must prepare a report on the state of the economy in Jersey and on the States’ finances as set out in the government plan lodged in that financial year.
- (2) The report must include comments on –
- (a) the strength of the economy in Jersey;
  - (b) the outlook for the economy in Jersey;
  - (c) the outlook for world economies and financial markets;
  - (d) the economic cycle in Jersey;
  - (e) the medium-term and long-term sustainability of the States’ finances, in light of the lodged government plan, the matters set out in sub-paragraphs (a) to (d) and the States’ financial assets and liabilities; and
  - (f) the advisability of transfers to or from the Strategic Reserve Fund and Stabilisation Fund, in light of the lodged government plan, the matters set out in sub-paragraphs (a) to (d) and the sustainability of the States’ finances referred to in sub-paragraph (e).
- (3) The Panel must publish its annual report no later than 2 weeks before the date by which an amendment to a lodged government plan must itself be lodged in order to be debated during the same meeting of the States as the government plan.

**46 Other reports**

- (1) The Council of Ministers or the Minister may, at any time, request that the Panel prepare a report on any matter related to the States' finances.
- (2) The Panel must prepare and, as soon as is practicable, publish the report.

**PART 7****OFFENCES AND RELATED PROVISIONS****47 Failure to provide information or produce a record**

- (1) A person commits an offence if, when required to do so under Article 42, he or she refuses or fails to –
  - (a) provide any information that he or she is able to provide; or
  - (b) produce a record that is in his or her possession or under his or her control.
- (2) A person who is guilty of an offence under paragraph (1) is liable to a fine of level 3 on the standard scale.
- (3) It is a defence for a person charged with an offence under paragraph (1) for the person to show that there was a reasonable excuse for the failure or refusal.

**48 False information or destruction of a record**

- (1) A person commits an offence if, when required to provide information under Article 42, the person knowingly provides information that is false, misleading or incomplete in any material way.
- (2) A person commits an offence if, when required to produce a record under Article 42, or knowing that a record may be required to be produced under that Article, the person, with intent to deceive –
  - (a) destroys the record or in any other way renders it unintelligible or useless, or difficult or impossible to retrieve; or
  - (b) alters it in any way to make the information it contains false or misleading in any material way.
- (3) A person who is guilty of an offence under this Article is liable to imprisonment for a term of 5 years and to a fine.

**49 Hindrance or obstruction**

- (1) A person commits an offence if he or she hinders or obstructs another person in the exercise by that other person of a function under this Law.
- (2) A person who is guilty of an offence under paragraph (1) is liable to imprisonment for a term of 6 months and to a fine of level 3 on the standard scale.

**50 Privilege, protection and self-incrimination**

- (1) Nothing in this Law requires a person to provide information or produce a record that the person would, in an action in the Royal Court, be entitled to refuse to provide or produce on the grounds of legal professional privilege.
- (2) However, a lawyer must disclose the name and address of a client if required to do so by a person acting in accordance with this Law.
- (3) If a person, in compliance with a request made under this Law, provides information or produces a record in respect of another person, that provision or production is not a breach of any duty owed by the first person to the second person or to any other person.
- (4) An answer given by a person to a question put to the person in exercise of a power conferred by this Law may be used in evidence against the person.
- (5) However, no evidence relating to the answer may be adduced, and no question relating to it may be asked, by or on behalf of the prosecution in criminal proceedings in which the person is charged with an offence other than an offence under Article 48, unless evidence relating to it is adduced, or a question relating to it is asked, in the proceedings by or on behalf of the person who gave the answer.

**51 Royal Court may order compliance**

- (1) This Article applies where a person has refused or failed to comply with a requirement under Article 42 to provide any information that he or she is able to provide or to produce a record that is in his or her possession or under his or her control.
- (2) The Royal Court may, on the application of the person requiring the provision of information or production of the record, order the person required to comply with the requirement to take any action that the Court considers necessary to comply with the requirement.
- (3) The Court need only be satisfied of the facts on which it bases an order under paragraph (2) on the balance of probabilities.

**52 Responsibility**

- (1) If an offence under this Law that has been committed by a body corporate is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of –
  - (a) a director, manager, secretary or other similar officer of the body corporate; or
  - (b) a person who was purporting to act in any such capacity,that person, as well as the body corporate, commits the offence and is liable to be proceeded against and punished accordingly.
- (2) If the affairs of a body corporate are managed by its members, paragraph (1) applies in relation to the acts and defaults of a member in

connection with his or her functions of management as if the person were a director of the body corporate.

- (3) A person who aids, abets, counsels or procures the commission of an offence under this Law also commits the offence and is liable in the same manner as a principal offender to the penalty provided for that offence.

## **PART 8**

### **MISCELLANEOUS PROVISIONS**

#### **53 Minister's responsibility in respect of certain companies**

- (1) The Minister –
  - (a) may, on behalf of the States, exercise the rights attached to shares in a company (wherever incorporated) that are owned by the States in the name of the States; and
  - (b) is responsible for any liabilities attached to such shares.
- (2) If the company is an independently audited States body, within the meaning of the Comptroller and Auditor General (Jersey) Law 2014<sup>8</sup>, the Minister is, for the purposes of this Law, the Minister responsible to the States for the financial interests of the States in the company.

#### **54 Limitation of civil liability**

- (1) A person described in paragraph (2) is not liable in damages for an act done in the discharge or purported discharge of a function under this Law, unless the act –
  - (a) is shown to have been done in bad faith; or
  - (b) is unlawful under Article 7(1) of the Human Rights (Jersey) Law 2000<sup>9</sup>.
- (2) Paragraph (1) applies to –
  - (a) a person to whom a function is assigned under this Law; and
  - (b) a person who is, or is acting as, an officer, employee or agent of a person mentioned in sub-paragraph (a) or who is performing a duty or exercising a power on behalf of such a person.

#### **55 Power to amend Law by Regulations**

- (1) The States may by Regulations amend Parts 1 to 6 and 8 and Schedules 1 to 5.
- (2) Only the Minister may lodge draft Regulations referred to in paragraph (1).
- (3) Regulations under paragraph (1) may amend other provisions of this Law consequentially upon an amendment made under paragraph (1).
- (4) Regulations under paragraph (1) may also contain savings and transitional provisions.

**56 Power to amend Schedules by Order**

- (1) The Minister may by Order –
  - (a) add an organisation (whether incorporated or not) to Schedule 2 if the organisation –
    - (i) receives money of the States for the purpose of carrying out the organisation's activities, or
    - (ii) is owned or controlled by the States; and
  - (b) amend the name of an organisation listed in that Schedule.
- (2) The Minister may by Order add a tax or duty to Schedule 3, or amend the name of a tax or duty listed in it.
- (3) The Minister may by Order add a States fund to Schedule 5, or amend the name of a States fund listed in it.
- (4) Orders made under this Article may contain saving, transitional, consequential, incidental or supplementary provisions.

**57 Regulations containing transitional provisions**

- (1) The States may make Regulations containing any transitional, saving, consequential, incidental or supplementary provisions that may be necessary or expedient to bring this Law into effect.
- (2) The States may make Regulations amending enactments consequent on the repeal of the previous Law and its replacement by this Law.
- (3) Regulations made under paragraph (2) may include transitional, ancillary, consequential and supplementary provisions.

**58 Continuing application of previous Law**

- (1) Subject to this Article and Articles 59 to 62, the provisions of the previous Law, as they have effect immediately before this Law comes into force, continue to apply to money received, expended or otherwise handled by or on behalf of the States during the financial year in which this Law comes into force.
- (2) All financial directions made under the previous Law, as they have effect immediately before this Law comes into force, continue to apply to money received, expended or otherwise handled by or on behalf of the States until the Public Finances Manual is issued under Article 31.
- (3) The investment strategy referred to in Regulation 4 of the Public Finances (Transitional Provisions) (No. 2) (Jersey) Regulations 2005<sup>10</sup>, as that strategy has effect immediately before this Law comes into force, continues to apply to all money invested under the previous Law until the Minister presents an investment strategy under Article 25(3).
- (4) A reference in Article 25(5) to an investment strategy is to be read as a reference to the investment strategy referred to in that Regulation 4 until the Minister presents an investments strategy under Article 25(3).

**59 Expenditures carried forward**

- (1) Subject to paragraph (2), if there are amounts appropriated under the previous Law for a capital head of expenditure, within the meaning of that Law, that are unspent at the end of the financial year in which this Law comes into force –
  - (a) that capital head of expenditure is deemed to be a head of expenditure in the approved government plan for each financial year until the related capital project is finished; and
  - (b) any amounts appropriated for the capital head of expenditure that remain unspent at the end of each financial year are deemed to be appropriated for that head of expenditure in the next financial year.
- (2) The Minister may give a notice to the States with respect to such a capital head of expenditure to the effect that, at the end of the financial year in which the notice is presented –
  - (a) paragraph (1) ceases to apply with respect to the capital head of expenditure; and
  - (b) the related capital project is deemed to be a major project the undertaking of which has been approved of by the States.
- (3) The Minister may direct that an unspent amount appropriated under the previous Law for a revenue head of expenditure, within the meaning of that Law, from the Consolidated Fund for the financial year in which this Law comes into force is deemed to be appropriated for a reserve head of expenditure for the following financial year.
- (4) The authority to transfer up to £100 million from the Strategic Reserve Fund to the Bank Depositors Compensation Scheme or to meet any temporary cash flow funding requirements of that Scheme, as set out in Proposition 84/2009 (lodged on 2nd June 2009 and adopted by the States on 6th November 2009), is continued.
- (5) Any borrowing, loans, guarantees or indemnities done or given under the previous Law that are still outstanding immediately before this Law comes into force are continued, and the previous Law and any Regulations made under it continue to apply with respect to them.

**60 Insurance fund continued**

- (1) The insurance fund established under Article 5A of the previous Law is deemed to be a fund established under Article 6 of this Law.
- (2) For the purpose of allowing the insurance fund to continue as a fund established under Article 6 of this Law, the Minister must establish the purposes and terms of the insurance fund (which are to be similar in nature to the provisions of Schedule 2 to the previous Law) and must establish the circumstances in which the fund may be wound up.
- (3) The Minister must present those purposes, terms and circumstances to the States.
- (4) Article 6(4) applies to any subsequent variation of those purposes, terms and circumstances.



**61 Special funds under previous Law continued**

- (1) Each special fund established under Article 3 of the previous Law that was in existence immediately before this Law comes into force is continued as a fund established under Article 6 of this Law.
- (2) Subject to the terms of any fund referred to in paragraph (1), the Minister may wind up any such fund at any time.
- (3) The Minister must give the States notice after such a fund is wound up.

**62 States trading operations**

- (1) The following are deemed to have been designated as States trading operations under Article 2(1) –
  - (a) Jersey Car Parking, the States trading operation designated under the previous Law that is responsible for administering public parking places;
  - (b) Jersey Fleet Management, the States trading operation designated under the previous Law that is responsible for the acquisition, maintenance, servicing, fuelling and garaging of vehicles and mobile plant.
- (2) For the avoidance of doubt, the designation of those States trading operations may be rescinded under this Law.
- (3) The trading funds maintained by Jersey Car Parking and Jersey Fleet Management under the previous Law are continued as the funds, referred to in Article 2(4), that are established for each of them.
- (4) Subject to paragraph (5), if there are amounts appropriated under the previous Law, from a trading fund referred to in paragraph (3), for a capital project that are unspent at the end of the financial year in which this Law comes into force –
  - (a) a head of expenditure relating to the capital project is deemed to be included in the approved government plan for each financial year until the capital project is finished; and
  - (b) any amounts appropriated for the capital project that remain unspent at the end of each financial year are deemed to be appropriated for that head of expenditure in the next financial year.
- (5) The Minister may give notice to the States with respect to such a head of expenditure to the effect that, at the end of the financial year in which the notice is presented –
  - (a) paragraph (4) ceases to apply with respect to the head of expenditure; and
  - (b) the related capital project is deemed to be a major project the undertaking of which has been approved of by the States.

**63 Appointments continued**

- (1) The person who, immediately before this Law comes into force, was the Treasurer appointed under Article 29 of the previous Law is deemed to have been appointed as Treasurer under Article 33 of this Law.
- (2) The persons who, immediately before this Law comes into force, were accountable officers under the previous Law with respect to a States body, specified organisation, States fund or trust asset are deemed to be accountable officers in respect of the same body, organisation, fund or asset under Article 39(1)(c) or 40 of this Law.
- (3) The persons who, immediately before this Law comes into force, were members of the Fiscal Policy Panel appointed under Article 56A of the previous Law are deemed to be appointed as members of the Panel under Article 43 of this Law.
- (4) The term of each such member of the Panel ends on the same day as his or her term would have ended under the previous Law.

**64 Consequential amendments**

Schedule 6 contains consequential amendments.

**65 Previous Law repealed**

The Public Finances (Jersey) Law 2005<sup>11</sup> is repealed.

**66 Citation and commencement**

This Law may be cited as the Public Finances (Jersey) Law 201- and comes into force on a day to be specified by the Minister by Order.

**SCHEDULE 1**

(Article 1)

**NON-MINISTERIAL STATES BODIES**

Bailiff's Department

Office of the Lieutenant Governor

States Greffe

Viscount's Department

Judicial Greffe

Law Officers Department

Office of the Comptroller and Auditor General

Jersey Probation Service

**SCHEDULE 2**

(Article 1)

**SPECIFIED ORGANISATIONS**

Andium Homes Limited and its subsidiary companies (if any)

Jersey Post International Limited and its subsidiary companies (if any)

JT Group Limited and its subsidiary companies (if any)

Ports of Jersey Ltd.

States of Jersey Development Company Limited and its subsidiary companies  
(if any)

Jersey Overseas Aid Commission

**SCHEDULE 3**

(Article 1)

**TAXATION DRAFT EXCEPTIONS**

Long-term care contributions under the Social Security (Jersey) Law 1974<sup>12</sup>

Rates under the Rates (Jersey) Law 2005<sup>13</sup>

---

**SCHEDULE 4**

(Article 4(4))

**SPECIFIC WITHDRAWALS FROM STRATEGIC RESERVE FUND****1 Interpretation**

In this Schedule, references to “P.107/2017” are to the Proposition lodged on 31st October 2017 entitled “Future Hospital: approval of preferred scheme and funding” as adopted and amended by the States and to the Report, including Appendices, to that Proposition.

**2 Withdrawal in accordance with P.107/2017**

Without a further proposition lodged by the Minister, money may be withdrawn from the Strategic Reserve Fund and credited to the fund known as the Hospital Construction Fund in accordance with P.107/2017.

**3 Minister’s Report**

No later than 2 months after the end of each successive 6-month period starting from the first withdrawal credited to the Hospital Construction Fund under the previous Law, the Minister must report to the Council of Ministers, and then to the States, the amount withdrawn from the Strategic Reserve Fund during each such 6-month period.

**4 Transfer on winding up**

Despite Article 8, on the winding up of the Hospital Construction Fund any balance of that Fund must be transferred to the Strategic Reserve Fund.

**SCHEDULE 5**

(Article 9(4)(a))

**STATES FUNDS FOR WHICH ESTIMATES MUST BE INCLUDED IN A  
GOVERNMENT PLAN**

The Consolidated Fund

The Strategic Reserve Fund

The Stabilisation Fund

The Health Insurance Fund, referred to in Article 21 of the Health Insurance (Jersey) Law 1967<sup>14</sup>

The Long-Term Care Fund, referred to in Article 2 of the Long-Term Care (Jersey) Law 2012<sup>15</sup>

The Social Security Fund, referred to in Article 30 of the Social Security (Jersey) Law 1974<sup>16</sup>

The Social Security (Reserve) Fund, referred to in Article 31 of the Social Security (Jersey) Law 1974<sup>17</sup>

**SCHEDULE 6**

(Article 64)

**CONSEQUENTIAL AMENDMENTS****1 Air and Sea Ports (Incorporation) (Jersey) Law 2015**

In the Air and Sea Ports (Incorporation) (Jersey) Law 2015<sup>18</sup>, Article 35(3)(a) is deleted.

**2 Civil Aviation (Jersey) Law 2008**

In the Civil Aviation (Jersey) Law 2008<sup>19</sup>, in Article 9(1), for “Article 1(1) of the Public Finances (Jersey) Law 2005” there is substituted “Article 1 of the Public Finances (Jersey) Law 201-<sup>20</sup>”.

**3 Postal Services (Transfer) (Jersey) Regulations 2006**

In the Postal Services (Transfer) (Jersey) Regulations 2006<sup>21</sup> –

- (a) in Regulation 1, in the definition “Postal Pension Fund”, for “the special fund (within the meaning of the Public Finances (Jersey) Law 2005)” there is substituted “the fund”;
- (b) Regulation 8 is deleted.

**4 Costs in Criminal Cases (Jersey) Law 1961**

In Article 4 of the Costs in Criminal Cases (Jersey) Law 1961<sup>22</sup>, for “by an expenditure approval, as that term is defined by the Public Finances (Jersey) Law 2005” there is substituted “under the Public Finances (Jersey) Law 201-<sup>23</sup>”.

**5 Proceeds of Crime (Jersey) Law 1999**

In Article 24 of the Proceeds of Crime (Jersey) Law 1999<sup>24</sup>, paragraph (3A) is deleted.

**6 Banking Business (Jersey) Law 1991**

For Article 37(2)(k) of the Banking Business (Jersey) Law 1991<sup>25</sup> there is substituted –

- “(k) for such treatment of a body, fund or other money in connection with a scheme as is provided for by any reference to an “enactment” in any definition in Article 1 of the Public Finances (Jersey) Law 201-<sup>26</sup> or in Article 3 of that Law;”.



**7 Banking Business (Depositors Compensation) (Jersey) Regulations 2009**

In the Banking Business (Depositors Compensation) (Jersey) Regulations 2009<sup>27</sup> –

- (a) in Regulation 1, in the definition “financial year”, for “Article 1(1) of the Public Finances (Jersey) Law 2005” there is substituted “Article 1 of the Public Finances (Jersey) Law 201-<sup>28</sup>”;
- (b) Regulation 14(10) is deleted.

**8 Dormant Bank Accounts (Jersey) Law 2017**

In the Dormant Bank Accounts (Jersey) Law 2017<sup>29</sup> –

- (a) in Article 18, “, being a special fund within the meaning of Article 3 of the Public Finances (Jersey) Law 2005” is deleted;
- (b) in Article 23(3)(f), for “2005” there is substituted “201-”.

**9 Financial Services Ombudsman (Jersey) Law 2014**

In the Financial Services Ombudsman (Jersey) Law 2014<sup>30</sup> –

- (a) in paragraph 11(3) of Schedule 1, for “Public Finances (Jersey) Law 2005” there is substituted “Comptroller and Auditor General (Jersey) Law 2014<sup>31</sup>”;
- (b) in paragraph 1(6) of Schedule 2, for “2005” there is substituted “201-”.

**10 Commissioner for Standards (Jersey) Law 2017**

In the Commissioner for Standards (Jersey) Law 2017<sup>32</sup> –

- (a) in Article 1, the definitions “independently audited States body” and “States funded body” are deleted;
- (b) in Article 3(3)(b), for “any States funded body or independently audited States body” there is substituted “any States body, as defined in Article 1 of the Public Finances (Jersey) Law 201-<sup>33</sup>, or independently audited States body, as defined in Article 1(1) of the Comptroller and Auditor General (Jersey) Law 2014<sup>34</sup>”.

**11 Employment of States of Jersey Employees (Jersey) Law 2005**

In the Employment of States of Jersey Employees (Jersey) Law 2005<sup>35</sup> –

- (a) in Article 3(5)(a)(ii), for “38(1)” there is substituted “39” and for “2005” there is substituted “201-”.
- (b) in Article 10A –
  - (i) “funded”, each time it occurs, is deleted,
  - (ii) for “2005” there is substituted “201-”.

**12 Public Employees (Pensions) (Jersey) Law 2014**

In Article 5(6) of the Public Employees (Pensions) (Jersey) Law 2014<sup>36</sup>, for “Article 6(1)(b) of the Public Finances (Jersey) Law 2005” there is substituted “Article 25 of the Public Finances (Jersey) Law 201-<sup>37</sup>”.

**13 Public Employees (Pension Scheme) (Administration) (Jersey) Regulations 2015**

In Regulation 19(5) of the Public Employees (Pension Scheme) (Administration) (Jersey) Regulations 2015<sup>38</sup>, for “Article 31(1) of the Public Finances (Jersey) Law 2005” there is substituted “Article 36 of the Public Finances (Jersey) Law 201-<sup>39</sup>”.

**14 Standing Orders of the States of Jersey**

- (1) The Standing Orders of the States of Jersey<sup>40</sup> are amended as set out in this paragraph.
- (2) In standing order 1(1) –
  - (a) before the definition “chairmen’s committee” there is inserted –

““approved government plan” means a government plan that has been approved by the States under the Public Finances Law;”;
  - (b) the definitions “draft budget”, “draft medium term financial plan” and “medium term financial plan” are deleted;
  - (c) after the definition “continuation day” there is inserted –

““government plan” has the same meaning as in Article 1 of the Public Finances Law;”;
  - (d) in the definition “Public Finances Law”, for “2005” there is substituted “201-”;
  - (e) for the definition “taxation draft” there is substituted –

““taxation draft” has the same meaning as in Article 1 of the Public Finances Law;”.
- (3) In standing order 26 –
  - (a) paragraph (4AA) is deleted;
  - (b) in paragraph (4A), for “draft medium term financial plan” there is substituted “government plan”;
  - (c) in paragraph (7A), for “under Article 9 of the Public Finances Law, for the amendment of a medium term financial plan” there is substituted “under Article 16 of the Public Finances Law, for the amendment of an approved government plan”.
- (4) In standing order 31(2), for sub-paragraphs (a) to (b) there is substituted –
  - “(a) a government plan and any taxation draft that is necessary for the plan’s implementation;
  - (b) a proposition, lodged by the Council of Ministers under Article 16 of the Public Finances Law, for the amendment of an approved government plan;”.

- (5) In standing order 70A –
- (a) in paragraph (1), for “draft medium term financial plan or on a proposition, lodged by the Council of Ministers under Article 9 of the Public Finances Law, for the amendment of a medium term financial plan” there is substituted “government plan or on a proposition, lodged by the Council of Ministers under Article 16 of the Public Finances Law, for the amendment of an approved government plan”;
  - (b) in paragraph (2), for “draft budget or on a taxation draft that is necessary for the implementation of a budget” there is substituted “taxation draft that is necessary for the implementation of a government plan”.
- (6) In standing order 72(10), for “taxation draft that includes any provision that would implement all or part of a budget” there is substituted “draft Law or Regulation that includes a taxation draft that would implement any part of a government plan”.
- (7) For standing orders 79(2)(b) to (e) there is substituted –
- “ (b) a government plan;
  - (c) a proposition, lodged by the Council of Ministers under Article 16 of the Public Finances Law, for the amendment of an approved government plan; or
  - (d) a taxation draft that would implement any part of a government plan.”.
- (8) In standing order 80A –
- (a) for sub-paragraphs (1)(a) and (b) there is substituted –
    - “ (a) an amendment to a government plan; or
    - (b) an amendment to a proposition, lodged by the Council of Ministers under Article 16 of the Public Finances Law, for the amendment of an approved government plan.”;
  - (b) for paragraphs (2) to (4) there is substituted –
    - “(2) An amendment proposed under paragraph (1) shall be debated –
      - (a) forthwith, in the case of –
        - (i) an amendment described in paragraph (1)(a) to rectify a negative balance in the Consolidated Fund that is forecast as a consequence of the States approving an amendment to the government plan or not approving any amount included in the plan under any of Articles 9(2)(a) to (c) of the Public Finances Law, or
        - (ii) an amendment described in paragraph (1)(b) to rectify a negative balance in the Consolidated Fund that is forecast as a consequence of the States approving an amendment to the proposition described in that paragraph or not approving any part of that proposition; or
      - (b) either forthwith or at another time or on another day as decided by the States, in any other case.

- (3) Notwithstanding standing order 26, the Minister for Treasury and Resources may propose, without notice, an amendment to a taxation draft.
  - (4) An amendment proposed under paragraph (3) shall be debated –
    - (a) forthwith, in the case of an amendment to implement an amendment approved by the States to the government plan (whether lodged or approved) to which the taxation draft relates; or
    - (b) either forthwith or at another time or on another day as decided by the States, in any other case.”;
  - (c) in paragraph (5)(a), for “15” there is substituted “12”;
  - (d) paragraph (6) is deleted.
- (9) In standing order 128(c) –
- (a) for “Article 24B” there is substituted “Article 10(2)(b)”;
  - (b) for “the preparation of the estimates of income and expenditure for the States and their services” there is substituted “for the submission of proposed amounts to be appropriated under a government plan in relation to the States Greffe for a financial year”.
- (10) In standing order 132 –
- (a) in paragraph (1)(b)(i), “funded” is deleted;
  - (b) in paragraph (1)(d)(ii), “funded” is deleted;
  - (c) in paragraph (2) –
    - (i) after the definition “Health Insurance Fund”, there is inserted –
      - “ “independently audited States bodies” and “States aided independent bodies” have the same meaning as in the Comptroller and Auditor General (Jersey) Law 2014<sup>41</sup>,”;
    - (ii) for the definition beginning with “States funded bodies” there is substituted –
      - “ “States bodies” has the same meaning as in the Public Finances Law.”.
- (11) In standing order 136(f), for “draft medium term financial plan, a draft budget” there is substituted “government plan”.

## 15 Civil Asset Recovery (International Co-operation) (Jersey) Law 2007

In the Civil Asset Recovery (International Co-operation) (Jersey) Law 2007<sup>42</sup> –

- (a) Article 11(5) is deleted;
- (b) in the definition “consolidated fund” in Article 11(9), for “2005” there is substituted “201-”.

**16 Control of Housing and Work (Jersey) Law 2012**

- (1) The Control of Housing and Work (Jersey) Law 2012<sup>43</sup> is amended as set out in this paragraph.
- (2) In the definition “States funded body” in Article 1(1), “funded” is deleted and for “2005” there is substituted “201-”.
- (3) In the following provisions, “funded” is deleted –
  - (a) Article 13(2)(d);
  - (b) Articles 23(6) and (7).
- (4) In Article 22(1), for the definition “trading operation” there is substituted –

“trading operation” means a States trading operation that is designated as such under the Public Finances (Jersey) Law 201-<sup>44</sup> or that is taken to be designated as such under another enactment.”.

**17 Control of Housing and Work (Fees) (Jersey) Order 2013**

In the Control of Housing and Work (Fees) (Jersey) Order 2013<sup>45</sup>, in subparagraph (b) of the definition “non-profit undertaking” in Article 1(1), “funded” is deleted and for “2005” there is substituted “201-”.

**18 Social Housing (Transfer) (Jersey) Law 2013**

Article 10 of the Social Housing (Transfer) (Jersey) Law 2013<sup>46</sup> is deleted.

**19 States of Jersey Police Force Law 2012**

In the States of Jersey Police Force Law 2012<sup>47</sup>, in the following provisions for “2005” there is substituted “201-” –

- (a) the definition “financial year” in Article 1;
- (b) Article 17(5).

**20 Comptroller and Auditor General (Jersey) Law 2014**

- (1) The Comptroller and Auditor General (Jersey) Law 2014<sup>48</sup> is amended as set out in this paragraph.
- (2) In Article 1(1) –
  - (a) after the definition “Comptroller and Auditor General” there is inserted –

“independently audited States body” means –

    - (a) a person (including a corporation sole), office or body, whether or not incorporated, established by an enactment or by an Act of the States where the establishing enactment or Act provides for the person, office or body to be audited otherwise than by the Comptroller and Auditor General; and

- (b) any company, wherever incorporated, that is owned or controlled by the States;”;
  - (b) in the definition “Public Finances Law”, for “2005” there is substituted “201-”.
- (3) In the following provisions, “funded” is deleted –
  - (a) Article 3(5)(b);
  - (b) Article 11(4)(b);
  - (c) Article 22(1)(a).
- (4) In Article 9(2), for “Article 36(1)” there is substituted “the system of auditing referred to in Article 32(2)(c)”.
- (5) In Article 12 –
  - (a) in paragraph (1), for “32(1)(b)” there is substituted “37(b)”;
  - (b) in paragraph (2), for “Article 32(2) of” there is substituted “the Public Finances Manual issued under”.

## 21 Currency Notes (Jersey) Law 1959

- (1) The Currency Notes (Jersey) Law 1959<sup>49</sup> is amended as set out in this paragraph.
- (2) In the long title, after “to provide for” there is inserted “a currency fund and for”.
- (3) In the short title, after “NOTES” there is inserted “AND CURRENCY FUND”.
- (4) After Article 7 there is inserted –

### “7A Currency fund

- (1) The Currency Fund, a fund of the States of Jersey established under the Public Finances (Jersey) Law 2005, is continued.
- (2) Money received from the issue of currency notes or coins must be credited to the Currency Fund.
- (3) Money must not be withdrawn from the Currency Fund except –
  - (a) to pay for the production of currency notes or coins, for expenses relating to their circulation and sale, and for any associated expenditure; or
  - (b) as a transfer to the Consolidated Fund of all or any part of a surplus in the currency fund as determined by the Minister after making provision for the repayment of currency in issue.
- (4) If, at any time, the Minister is satisfied that the amount standing to the credit of the Currency Fund may be insufficient to meet the repayment of currency in issue, the Minister may transfer from the Consolidated Fund to the Currency Fund any amount that the Minister considers is necessary to correct the deficiency.

- (5) In this Article, “Consolidated Fund” means the Consolidated Fund continued under Article 3 of the Public Finances (Jersey) Law 201-<sup>50</sup>.”.

## **22 Goods and Services Tax (Jersey) Regulations 2007**

In Regulation 6(1) of the Goods and Services Tax (Jersey) Regulations 2007<sup>51</sup> –

- (a) in sub-paragraph (a), “funded” is deleted and for “2005” there is substituted “201-”;
- (b) in sub-paragraph (b), for “Public Finances (Jersey) Law 2005” there is substituted “Comptroller and Auditor General (Jersey) Law 2014<sup>52</sup>”;
- (c) in sub-paragraph (c), after “Assembly” there is inserted “, including committees and scrutiny panels of the States established by standing orders”;
- (d) sub-paragraph (d) is deleted;
- (e) in sub-paragraph (e), “funded” is deleted and for “Article 1(1) of the Public Finances (Jersey) Law 2005” there is substituted “Article 1 of the Public Finances (Jersey) Law 201-<sup>53</sup>”.

## **23 Rates (Jersey) Law 2005**

In Article 26(1) of the Rates (Jersey) Law 2005<sup>54</sup> –

- (a) for “(within the meaning of Article 1(1) of the Public Finances (Jersey) Law 2005)” there is substituted “of the States appointed under the Public Finances (Jersey) Law 201-<sup>55</sup>”;
- (b) for “established” there is substituted “continued”.

## **24 Health Insurance (Jersey) Law 1967**

In Article 21 of the Health Insurance (Jersey) Law 1967<sup>56</sup> –

- (a) in paragraph (2), for “the accounting standards referred to in Article 32(2) of the Public Finances (Jersey) Law 2005” there is substituted “the Public Finances Manual issued under the Public Finances (Jersey) Law 201-<sup>57</sup>”;
- (b) paragraph (8) is deleted.

## **25 Long-Term Care (Jersey) Law 2012**

In Article 11 of the Long-Term Care (Jersey) Law 2012<sup>58</sup> –

- (a) in paragraph (1), for “the accounting standards referred to in Article 32(2) of the Public Finances (Jersey) Law 2005” there is substituted “the Public Finances Manual issued under the Public Finances (Jersey) Law 201-<sup>59</sup>”;
- (b) paragraph (8) is deleted.

**26 Long-Term Care (States Contribution) (Jersey) Regulations 2013**

In the Long-Term Care (States Contribution) (Jersey) Regulations 2013<sup>60</sup> –

- (a) in Regulation 3(1), for “base year” there is substituted “year preceding the contribution year”;
- (b) Regulation 3(3) is deleted.

**27 Social Security (Jersey) Law 1974**

(1) The Social Security (Jersey) Law 1974<sup>61</sup> is amended as set out in this paragraph.

(2) In Article 9A –

(a) in paragraph (2), for “Where the year is the first year of a medium term financial plan, the amount to be paid for the year” there is substituted “The amount to be paid for each year”;

(b) for paragraph (2)(b) there is substituted –

“(b) B is the aggregate of the following amounts, as they are reported in the accounts prepared in accordance with Article 30(4) –

(i) the Class 1 secondary contributions paid for the base year in accordance with paragraph 3(2)(c) of Schedule 1A,

(ii) the full rate Class 2 contributions paid for the base year in accordance with paragraph 3(c) of Schedule 1B, and

(iii) the reduced rate Class 2 contributions paid for the base year in accordance with paragraph 4(c) of Schedule 1B; and”;

(c) for paragraphs (4) and (4A) there is substituted –

“(4) Despite paragraphs (2) and (3), the annual amount to be paid for 2019 is £65,300,000.”;

(d) for paragraph (6) there is substituted –

“(6) In this Article, “base year” means the year that is 2 years before the year for which the amount to be paid into the Social Security Fund is being determined.”.

(3) In Article 30 –

(a) in paragraph (4), for “the accounting standards referred to in Article 32(2) of the Public Finances (Jersey) Law 2005” there is substituted “the Public Finances Manual issued under the Public Finances (Jersey) Law 201-<sup>62</sup>”;

(b) paragraph (9) is deleted.



---

1	<i>chapter 16.800</i>
2	<i>chapter 24.900</i>
3	<i>chapter 16.325</i>
4	<i>chapter 23.100</i>
5	<i>chapter 16.325</i>
6	<i>chapter 16.325</i>
7	<i>chapter 16.325</i>
8	<i>chapter 24.140</i>
9	<i>chapter 15.350</i>
10	<i>chapter 24.900.81</i>
11	<i>L.14/2005 (chapter 24.900)</i>
12	<i>chapter 26.900</i>
13	<i>chapter 24.950</i>
14	<i>chapter 26.500</i>
15	<i>chapter 26.600</i>
16	<i>chapter 26.900</i>
17	<i>chapter 26.900</i>
18	<i>chapter 03.050</i>
19	<i>chapter 03.530</i>
20	<i>P.28/2019</i>
21	<i>chapter 06.145.70</i>
22	<i>chapter 08.100</i>
23	<i>P.28/2019</i>
24	<i>chapter 08.780</i>
25	<i>chapter 13.075</i>
26	<i>P.28/2019</i>
27	<i>chapter 13.075.30</i>
28	<i>P.28/2019</i>
29	<i>chapter 13.150</i>
30	<i>chapter 13.255</i>
31	<i>chapter 24.140</i>
32	<i>chapter 16.240</i>
33	<i>P.28/2019</i>
34	<i>chapter 24.140</i>
35	<i>chapter 16.325</i>
36	<i>chapter 16.640</i>
37	<i>P.28/2019</i>
38	<i>chapter 16.640.10</i>
39	<i>P.28/2019</i>
40	<i>chapter 16.800.15</i>
41	<i>chapter 24.140</i>
42	<i>chapter 17.145</i>
43	<i>chapter 18.150</i>
44	<i>P.28/2019</i>
45	<i>chapter 18.150.15</i>
46	<i>chapter 18.740</i>
47	<i>chapter 23.820</i>
48	<i>chapter 24.140</i>

---

49	<i>chapter 24.600</i>
50	<i>P.28/2019</i>
51	<i>chapter 24.700.30</i>
52	<i>chapter 24.140</i>
53	<i>P.28/2019</i>
54	<i>chapter 24.950</i>
55	<i>P.28/2019</i>
56	<i>chapter 26.500</i>
57	<i>P.28/2019</i>
58	<i>chapter 26.600</i>
59	<i>P.28/2019</i>
60	<i>chapter 26.600.80</i>
61	<i>chapter 26.900</i>
62	<i>P.28/2019</i>