

**THE STATES OF DELIBERATION**  
**of the**  
**ISLAND OF GUERNSEY**

**6<sup>th</sup> November, 2018**

**Proposition No. P.2018/108**

**POLICY & RESOURCES COMMITTEE**

**THE STATES OF GUERNSEY ANNUAL BUDGET FOR 2019**

**AMENDMENT**

Proposed by: Deputy J P Le Tocq

Seconded by: Deputy T J Stephens

To insert, after Proposition 36, the following Propositions:

- "36A. To agree that, while it is within the mandate of the Policy & Resources Committee to prepare the annual Budget of the States and thus to recommend the creation of any special Funds within the General Reserve (such as the Brexit Transition Fund or the Transformation and Transition Fund) which it considers necessary to support the achievement of States' objectives, it is in the interests of good governance and effective coordination that the decision-making process in respect of the use of such Funds or Reserves should be scrutinised by the Scrutiny Management Committee in accordance with its mandate.
- 36B. To agree that projects led by the Policy & Resources Committee and funded through a special Fund within the General Reserve should benefit from independent challenge and scrutiny in the same way as those led by other Committees and States' bodies and that this is the role of the Scrutiny Management Committee under the system of Government adopted in 2016 following approval of the States Review Committee's recommendations."

## Explanatory Note

### THE POLICY & RESOURCES COMMITTEE INTENDS TO SUPPORT THIS AMENDMENT

This amendment recognises the concerns raised through the amendment proposed by Deputies Soulsby and Yerby (number 17) and seeks to ensure that the system of Government adopted in 2016 following consideration and approval of the States Review Committee's recommendation is used in order to assure good governance and facilitate challenge and scrutiny. The 2<sup>nd</sup> policy letter of the States Review Committee said of financial scrutiny:

*"The scrutiny of finances and expenditure is not necessarily such a political task; indeed it is perhaps best when at least to some extent de-politicised. Hence the Committee's original proposal, subsequently amended, to reserve one of the seats on the Scrutiny Management Committee for a person independent of the States with skills relevant to the scrutiny of financial affairs, albeit the Committee did not feel that it was necessary in all circumstances to exclude States' members from participating in financial scrutiny.*

*"The Committee proposed – and the States agreed – that the most effective and pragmatic arrangement in respect of the scrutiny of finances and expenditure would be for the Scrutiny Management Committee to maintain a panel of members independent of the States and well suited to the scrutiny of financial affairs and, when it identifies the need to examine a financial matter, to appoint a 'task and finish' panel drawn in the main from among the panel of members, supplemented if felt appropriate by States' members unconnected to the matters under scrutiny."*