



Candidate Brief

Brief for the position of
Treasurer of the States of Jersey, States of Jersey
August 2010



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Forward

Letter from Bill Ogley, Chief Executive

Thank you for your interest in Jersey and in our vacancy for the role of Treasurer of the States. I hope the information available inspires you to take a closer look at the professional and personal opportunities that we can offer.

Working in this high profile appointment, providing advice and support to the Minister on all matters relating to fiscal strategy and taxation, together with management of the Treasury, requires personal credibility and resilience, as well as a high level of judgement and political acumen. Strong visible leadership will be important to ensure change is effectively delivered.

Jersey is a unique place to work and live. We have a relaxed lifestyle with beautiful countryside and beaches, a low crime rate and a strong sense of community. We are a low taxation economy.

We believe this role offers a rare combination: the chance to tackle a significant strategic professional challenge and the opportunity to experience the Jersey way of life.

For an initial informal discussion please contact Giles Naylor or Nicky Oppenheimer on 020 7529 1143.

We look forward to hearing from you

Bill Ogley

Timetable

Closing date for receipt of applications	9 th September 2010
Shortlisting	17 September 2010
Interviews in Jersey	30 September and 1 October 2010 (shortlisted candidates will be required to attend for both days)

Background

Jersey is the largest of the Channel Islands with an area of 45 sq. miles (118.2 sq. km.) and is situated 14 miles off the north-west coast of France and 85 miles from the English coast.

It is a Crown Dependency and is not part of the UK. The Island is not represented in the UK parliament, whose Acts only extend to Jersey if expressly agreed by the Island that they should do so.

The Island of Jersey is divided into 12 Parishes: Grouville, St. Brelade, St. Clement, St. Helier, St. John, St. Lawrence, St. Martin, St. Mary, St. Ouen, St. Peter, St. Saviour and Trinity. Each Parish is presided over by an elected Connétable, who deals with issues relating to civil matters, and by a Rector who oversees issues relating to ecclesiastical affairs.

The Government of Jersey

The legislature of the Island is called 'The States of Jersey', members of which are elected by the public. The States is presided over by the Bailiff, and includes 53 elected voting members, 12 Senators, the Connétables (Constables) of the 12 Parishes and 29 Deputies.

The system of government comprises a Council of Ministers and several Scrutiny Panels. There are 53 States members; a maximum of 23 members are in ministerial positions either as Ministers (ten members) or Assistant Ministers (up to 13 members), and up to 30 other members sit on the Scrutiny Panels. The economy of Jersey saw a great deal of change during the latter part of the 20th century, as markets became more international and global travel increased; traditional Jersey industries such as agriculture and tourism were superseded by financial services as the dominant industry in Jersey. The Financial services sector (banking, trust and company administration, fund management, accountancy and legal activities) has grown such that it now accounts for more than half of total economic activity in Jersey and employs about a quarter of the workforce.

Detailed data about Jersey is available from the statistics unit

<http://www.gov.je/Government/JerseyWorld/StatisticsUnit/FactsFigures/Pages/JerseyFiguresBooklet.aspx>

<p>Economic data (2008 figures)</p> <p>Gross value Added (GVA): £4.3 billion</p> <p>Gross National Income (GNI): £4.0 billion</p> <p>GNI per head of population: £44,000</p> <p>States General Funds income: £660 million</p> <p>States net revenue expenditure: £522 million</p> <p>States income tax returns: £499 million</p>
<p>Principal industries: (2008 figures)</p> <p>Financial services (53% of GVA)</p> <p>Public administration (7% of GVA)</p> <p>Wholesale and retail (6% of GVA)</p> <p>Construction (5% of GVA)</p> <p>Tourism (3% of GVA)</p> <p>Agriculture (1% of GVA)</p> <p>Other business activities (7% of GVA)</p>

Jersey is internally self-supporting and neither receives subsidies from, nor pays contributions to, the United Kingdom or the European Union.

The public revenues of the Island are raised by income tax, by duties paid on certain goods and by other taxes and revenues. The Council of Ministers is responsible for presenting the annual business plan setting out proposals to the States on spending. The Treasury Minister then presents a budget setting out taxation proposals. Both of these have to be agreed by the States and may be subject to amendment.

Value Added Tax (VAT) is not charged in the Channel Islands although a 3 % Goods and Services Tax (GST) is charged.

The Island's system of corporate tax has rates of 0% or 10% depending on the type of business. Personal taxation is 20% with a system of allowances or exemptions depending on personal circumstances.

There is no capital gains or inheritance tax, although the income tax system does include some elements of these.

Jersey has Double Taxation Arrangements with the United Kingdom and Guernsey, which date from 1952 and 1955 respectively.

Jersey has its own Customs and Excise (Impôts) Service and operates as a separate customs area, levying indirect taxation, and there are customs controls on the movement of goods and travellers both within the Channel Islands and between the Island, the United Kingdom and Europe.

Whilst the currency of the Island is sterling, Jersey issues its own notes and coins. This local currency is a debt backed by the Island's general revenue investments. The notes and coins are legal tender in the Island but not outside, where their acceptability is limited. Bank of England notes and UK Treasury coins are also legal tender in the Island and circulate alongside the locally issued currency.

The European Union

As a Crown Dependency, Jersey is not part of the European Union, although it is in a customs union in order to allow the free flow of goods and people between the Island, the UK and Europe.

The Island neither contributes to, nor is eligible to benefit from, European Union funds and is only subject to EU rules in certain very limited areas. It is however sometimes considered appropriate to enact domestic legislation to reflect relevant EU Directives.

About the States of Jersey

The States of Jersey combines central and local government, employing more than 7000 people across the following departments:

- The Chief Minister's Department supports the Chief Minister and co-ordinates the effective implementation of all key policies.
- The Economic Development Department has responsibility for all areas of economic policy and development in Jersey.
- The Education Sport and Culture Department provides and supports a wide range of opportunities for learning and engagement for all members of the Island's community.
- The Health and Social Services Department works to ensure the good health of all age groups in Jersey.
- The Home Affairs Department has responsibility for the Police, Fire and Rescue Service, Customs and Immigration, Office of the Superintendent Registrar, Jersey Field Squadron and the Prison.
- The Housing Department is responsible for managing the existing stock of publicly-owned housing, initiating the development of new housing where necessary and overseeing the waiting list for these homes.

- The Planning and Environment Department manages Jersey's planning and building control, environment policy and regulation, water resources and waste.
- Social Security is the centre for work, pensions and benefits.
- The Transport and Technical Services Department manages roads and traffic, driver and vehicle checks, parks and gardens, waste and cleaning services.
- Treasury and Resources manages the Island's finances and assets, ensuring the protection and good use of public funds.

The States' Annual Business plan is available on this link:

<http://www.gov.je/Government/PlanningPerformance/StrategicPlanning/Pages/StatesAnnualBusinessPlan.aspx>

The Strategic Plan priorities addresses a range of social, environmental and economic factors in order to maintain Jersey's special way of life.

The plan focuses on 5 main areas:

- enabling people to reach their full potential
- meeting our health, housing and education challenges
- preparing for the ageing society
- protecting the countryside and our environment
- creating a responsive and efficient government

The Strategic Plan for the period 2009 – 2014 is available on

<http://www.gov.je/Government/PlanningPerformance/StrategicPlanning/Pages/StrategicPlan.aspx>

About the Treasury

The Minister for Treasury and Resources is: Senator Philip Ozouf

The Assistant Minister is: Deputy Edward Noel

The Assistant Minister for Property Holdings is: Deputy John Le Fondré

The 2010 Treasury and Resources Business plan is to be found at

<http://www.gov.je/Government/Pages/StatesReports.aspx?ReportID=325>

Senator Ozouf in his introduction to the 2010 Business plan noted that the plan had been developed against the backdrop of a global downturn which has affected both the local economy and the States finances.

In the short term, the Treasury has put a fiscal stimulus package in place to support the economy and local employment and has also drawn on the Stabilisation Fund to continue to fund essential services, despite the fall in tax revenues.

In the medium term, however, the continuing gap between the States' income and its expenditure will have to be tackled through reductions in expenditure, increases in taxes, or, most probably, a combination of both.

Whilst the island has not been immune from the Global recession the States are in a favourable financial position compared to the UK. Recent decades have seen a period of sustained and significant growth in the economy and this has allowed a succession of Finance and Economics Committees and Treasury Ministers to put money aside in order to weather recession and should it ever prove necessary a major economic shock. Thus the States has a Stabilisation fund that is being used to manage through the current downturn and a Strategic Reserve of some £500m and a range of owned utility companies.

In 2010 the States of Jersey will carry out a Comprehensive Spending Review which will identify the scope for efficiency savings and for reductions in non essential services across all States departments. The review will include in-depth examinations of the Health and Social Services, Education Sport and Culture, Social Security and Home Affairs Departments.

At the same time the States of Jersey will be developing and consulting on a revised tax strategy

The outcome of both these major reviews will be brought to the States for debate by the end of the year.

Key issues for the Treasurer

The Treasurer is at the heart of a number of key developments aimed at ensuring that Jersey's public services are sustainable and well managed. In the next few years the following key issues will form much of the agenda for the postholder:

There is a need to improve financial management processes across the States. The current model of a central Treasury with Accounting Officers independently responsible for the financial management of their services has resulted in unhelpful differences in financial management practices and standards. The Treasurer will be expected to create a more coherent financial management structure in order to ensure that there is consistent high quality financial management across all States Departments.

As part of the improvement in financial management the central Treasury is being restructured and strengthened. The incoming treasurer will be responsible for ensuring that this is successful in improving the functions of the Treasury and improve staff morale.

The current CSR and FSR's will result in a new plan for bringing States income and expenditure back into balance over the next 3 years. Decisions will have been made by the end of 2010 about the overall approach and the major components in terms of

tax changes and spending reductions. However there will be a significant programme of work to design many major changes and implement them. The Treasurer will be central to this programme and will create a system to monitor delivery and ensure the whole programme remains on track.

Jersey will be the first small jurisdiction to introduce a full GAAP accounting and reporting system. This has been a major task in recent years. It is starting to show the extent to which the funding of asset renewal and replacement needs to be strengthened. It is also highlighting opportunities for improvements in efficiency in terms of utilising assets and other resources. The postholder will lead this work.

The Treasury Minister is the shareholder of a number of major utilities. Some wholly and other partly owned. There are also likely to be other major functions to be incorporated or turned into arms length bodies. The Treasurer will be responsible for ensuring that they are properly engineered in terms of their financial structures, whilst also protecting and increasing the return to the public purse.

This is a major, but exciting agenda that will provide the right person with a challenging and stimulating programme of work.

The Role

Department Treasury and Resources

Job Title Treasurer of the States

Reports to: Chief Executive to the Council of Ministers and Head of the Public Service for performance management purposes, and accountable to the Minister for Treasury and Resources in respect of the requirements of the Public Finances (Jersey) Law 2005

Job Purpose

To act as the Chief Financial Officer for the States of Jersey, ensuring proper financial governance and compliance with the relevant laws and regulations.

To lead and direct the department to ensure that all departmental duties, responsibilities and delegated powers are effectively and appropriately discharged, including the provision of advice, information and guidance to the Minister, the Council of Ministers, States members and other stakeholders.

As a member of the Corporate Management Board, to act at all times to secure the best interests of the States of Jersey and their services on behalf of the public.

Principal Accountabilities

- 1 To fulfil the requirements of the office of the Treasurer as defined under the Public Finances (Jersey) Law 2005 Law. The Law states that it is the responsibility of the Treasurer to ensure the proper stewardship and administration of the public finances of Jersey and, in particular:
 - a) to set financial management standards for their administration and for monitoring compliance with those standards;
 - b) to ensure that professional practices are adhered to in their administration;
 - c) to advise on the key strategic controls that are necessary to secure their sound financial management; and
 - d) to ensure that financial information is available to enable accurate and timely monitoring of their administration,
 - e) and to advise on the appropriation and budget process for each financial year.
- 2 To be responsible for the supervision of the administration of the Law and for the public finances of the Island including budgetary procedures, Annual Accounts of the States, Internal Audit controls, the pensions schemes (PECRS and JSTF), currency circulation, States Revenues, cash deposits and other investment funds

- 3 including a large number of trust and charitable funds. To manage and monitor the effective operation of States manpower policies.
- 4 To be responsible, through the Comptroller of Income Tax, for the delivery of an efficient and effective income tax service for the people and the government of Jersey.
- 5 To develop and maintain appropriate long-term fiscal strategies and policies in order to manage the long term finances for the Island States in accordance with States strategic objectives.
- 6 To provide strong, effective and visible leadership to the Treasury, including ensuring effective communication within the department, effective performance review, setting standards and objectives.
- 7 To act as accounting officer for the department and discharge all the associated duties. To plan, implement and manage an effective risk management system for the department to ensure the consistent and uninterrupted delivery of services at all times. To lead direct and manage the department in a way which complies with all statutory, legal and international provisions so that the department and the States' interests are protected.
- 8 To provide advice, information and guidance to the Minister, the Council of Ministers, States members, Scrutiny Panels and other departments in order that they can discharge their duties effectively
- 9 To work as a member of the Corporate Management Board under the leadership of the Chief Executive to the Council of Ministers. To participate in the consideration and development of policy and management issues for subsequent consideration by the Council of Ministers. To implement decisions taken by the Council of Ministers to ensure the timely implementation of agreed corporate policies within the department. To promote the reputation of the Island's government by actively communicating the benefits and services provided to the local community.
- 10 As Treasurer of the States, to operate as Head of Profession for all finance staff in the States.

Dimensions:

States of Jersey:

Revenue Expenditure	£800 million
Assets	£2,200 million
Liabilities	£600 million
Annual Capital Programme	£50 million

Treasury:

Departmental establishment (1.1.10)	188.1 FTE
Departmental budget	£11,522,100

Departmental Context:

Overall Function and Purpose of the Treasury

- Fiscal strategy: the integration of tax and spending policy to ensure sustainable public finances (the development of golden rules), including countercyclical policies to support the economy. Fiscal stimulus.
- The research, development of implementation of taxes to finance public spending which create opportunities for economic growth and support other States objectives on, for instance, health and the environment
- Collection of tax revenues
- The management of States investments, special funds, and States utility companies with a value in excess of £1.4bn. Oversight of Waterfront Enterprise Board (and Jersey Development Corporation Ltd once formally established)
- The processing of all States income, expenditure and payroll
- The administration of the pension schemes: PECS and JTSF
- The administration of the island's currency
- Resource allocation processes for all revenue and capital expenditure – the Business Plan

- All annual tax raising measures, and transfers to and from Consolidated Fund, Strategic Reserve and Stabilisation Fund – the Budget
- Financial forecasting
- States Annual Accounts
- On line management information systems and monthly financial performance reporting to all levels in the organisation
- Financial training for budget holders and non-financial managers
- Financial controls framework – Finance Law and financial directions
- Internal audit and risk management support
- Financial input to major strategy and policy development
- Financial advice to Treasury Minister, Council of Ministers and the States

Personal Specification

Knowledge and Experience

- Graduate and UK Qualified Accountant (e.g. ACA/ACCA/CIPFA/CIMA) or equivalent.
- Minimum 15 years post-qualification experience; additional management qualification (e.g. MBA) is desirable.
- Significant financial management experience at Chief Financial Officer level (or equivalent) in a large and complex private and public sector environment, embracing the full range of financial management, strategic and operational activities, working with leading politicians, Board members and other senior stakeholders.
- Significant knowledge and understanding of the process of government including interaction between politicians and officers.
- Significant experience of the policy making process in government particularly fiscal strategy and macro-economic management.

Personal style and behaviour

- Strong leadership skills, committed to delegation, an effective and committed team player
- confident and charismatic
- effective communicator
- ability to challenge constructively
- outgoing and approachable, with high personal levels of energy, enthusiasm, stamina and resilience
- Strong personal commitment to a performance culture and accountability

Behavioural competencies

The following behavioural competencies are those which are sought for all senior management positions within the States of Jersey:

- *Integrity* – acts with honesty and is trustworthy; treats people fairly, equally and with respect
- *Working in partnership* – has a corporate approach to issues
- *Political Shrewdness* – operates effectively in the political environment

- *Developing strategies and solutions* – focuses upon strategies and solutions in the provision of service
- *Direction and Implementation* – achieves results and ensures value for money
- *Team Builder* – focuses on the team to ensure optimum performance
- *Leadership* – provides direction and inspires others to follow
- *Change Agent* – initiates change and actively motivates others to embrace change

Terms and Conditions

Salary - circa £140,000 plus final salary pension. Tax rates are a maximum of 20%.

Pension scheme - individuals contribute 5% of salary into the Public Employers Contributory Pension Scheme (PECRS). Benefits accrue at the rate of 1/80th per year of service. It may be possible to transfer benefits from a previous employer's pension scheme or personal pension to the PECRS. This transfer would result in benefit entitlements in previous arrangements being replaced by added years of pensionable service in the PECRS. An estimate or transfer values can be obtained on your behalf. Special "Transfer Club" arrangements exist for certain NHS, Local Authority and UK Civil Service schemes, which may result in a higher service credit in PECRS.

Relocation - expenses of up to £8,000 are payable.

The Recruitment Process

Odgers Berndtson are working with the States of Jersey to identify outstanding individuals who would be interested in talking about this role in more detail. The short listing will take place on 17th September after which all prospective candidates will be contacted. Final panel interviews will take place in Jersey on 30th September and 1st October. If candidates find the interview dates outlined above difficult, they should make this known at the start of the process. The panel members are as follows:

Bill Ogley - Chief Exec

Ruth Davies - Director HR

Senator Philip Ozouf - Minister of T&R

Alan Merry - Appointments Commission

Ken Soar - Appointments commission

Independent Assessor – Steve Freer – Chief Executive, CIPFA

How to Apply

Applications should be made by:

- **A full CV** detailing your qualifications, employment, skills and experience.
- **A covering lettering** summarising the most significant contribution or impact that you have made at board level and what you feel you could bring to the States of Jersey as the Treasurer;
- Providing **names and contact details of 2 referees** who are in a position to comment on you professionally, with a brief indication of how long and in what capacity they have known you (referees will *not* be contacted before preliminary conversations);
- Including your **full contact details** including daytime and evening telephone numbers.
- **Equal Opportunities Monitoring form** this form will not be disclosed to anyone involved in assessing your application. Please complete online at www.odgers.com/33157

The application should be sent as follows:

By email: 33157@odgersberndtson.co.uk

By post to:

Odgers Berndtson
11 Hanover Square
London W1S 1JJ

Please quote reference number: NAO/33157. Please note closing date for applications is **Thursday 9th September**.

If you would like to discuss the appointment or the process, please do not hesitate to contact us: by e-mail to Giles Naylor giles.naylor@odgersberndtson.co.uk or nicky.oppenheimer@odgersberndtson.co.uk or telephone (020 7529 1052).



Organisational Chart

