

General Information	
Ministerial Decision Type	Approval: Budget/Contract/Resource Allocation
Report Title	Transfer of Financial Stability Responsibilities to the Fiscal Policy Panel
Minister	Chief Minister
Signatory	Select Signatory.
Lead Department	Economy
Lead Directorate	Economic Advisory (Economy)
Ministerial Decision Summary: Public or <a href="#">Absolutely/Qualified</a> Exempt	Public Select if more than one Absolutely/Qualified Exemption.
Date decision made if different to date 'Ministerial Decision Summary' signed.	Select date.
Report and Supplemental Report Details	
Report Author	Chief Economic Advisor
Date of Report	30/10/2023
Supplementary Report Title <i>(If applicable)</i>	Insert Supplementary Report Title.
Supplementary Report Author <i>(If applicable)</i>	Insert Official Title Only.
Date of Supplementary Report <i>(If applicable)</i>	Select Date of Supplemental Report.
Ministerial Decision Report: Public or <a href="#">Absolutely/Qualified</a> Exempt	Public Select if more than one Absolutely/Qualified Exemption.
Relevant Case/Application/URN <i>(Only complete if making a decision related to an appeal/case/application)</i>	Insert Relevant Case/Application.
Relevant Proposition Number <i>(Only complete if presenting Comments or if lodging an Amendment)</i>	Insert P. number.
Relevant Scrutiny Report <i>(Only complete if presenting a ministerial response)</i>	Insert S.R. number.
Associated Law(s) and/or Subordinate Legislation	Insert the law(s), regulations, order(s) either enabling or related to the decision.
Action required if recommendation agreed	Department to take necessary action.

Resource Implications	There are no new financial and/or manpower implications.
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### Introduction

The Shadow Financial Stability Board was established by a [Ministerial Decision](#) of the Chief Minister on 26 July 2019 in order to provide independent advice on systemic risks to the stable functioning of Jersey's financial system. A Shadow Chair was appointed on the same date by [Ministerial Decision](#), with Members appointed by [Ministerial Decision](#) in January 2020.

Proposals to give the Shadow Financial Stability Board the necessary statutory duties and ability to obtain requisite information were broadly supported in a [public consultation](#) issued in September 2021.

### Recommendation

Other

To approve transfer of the functions of the Shadow Financial Stability Board to the Fiscal Policy Panel, under the responsibility of the Minister for Treasury and Resources.

### Detail

The Government of Jersey has taken steps in recent years to create a Shadow Financial Stability Board (FSB) to provide independent advice on systemic risks to financial stability. Its role is to examine the range, probability and impact of such risks, identify the best ways to minimise them, mitigate fiscal impacts and so minimise the potential costs to islanders. However, operating on the current non-statutory basis has raised some practical difficulties for relevant organisations to share information with the shadow FSB. For example, there are legal barriers to the sharing of information by the Financial Services Commission (JFSC) which effectively preclude certain information being shared with the shadow FSB and this limits the usefulness of the advice that the FSB can give.

The Government of Jersey [consulted](#) on proposals for the appropriate structure, duties and enabling information-sharing gateways for the FSB. While all of the responses were supportive of the proposals and objectives, there were some concerns regarding whether the role overlapped with that of the long-established Fiscal Policy Panel and previously there was a [question](#) over whether the work of the Financial Stability Board could be undertaken by an existing body. The Chief Minister, Deputy Kristina Moore, commented at the time: "We will look to ensure that there is clarity about the [FSB] board's role, particularly in relation to other advisory bodies, and to ensure that the legal powers are in place so that information that is needed to provide comprehensive advice can be obtained. This action is part of the commitment I made in my Ministerial Plans to ensure that governance arrangements are in place to support a culture of robust decision making, that is efficient, effective, value for money, transparent and accountable."

As a result, the Chief Minister decided to transfer the FSB's responsibilities to the Fiscal Policy Panel, under the responsibility of the Minister for Treasury and Resources, and to step down the members of the FSB, with thanks for their efforts and direction in the development of this role.