

Treasury and Exchequer Ministerial Decision Report



AMENDMENTS TO PUBLIC FINANCES MANUAL – AUGUST 2025

1. Purpose of Report


To seek approval from the Minister for Treasury and Resources to amendments to the Public Finances Manual (PFM).





2. Background





The Public Finances Manual was issued with effect from 1st January 2020 by the Minister for Treasury and Resources. The Public Finances (Jersey) Law 2019 allows for amendments to be made by the Minister, and for the ability to make amendments to be delegated. Amendments delegated include those necessary to clarify requirements; those to ensure that the Manual is consistent with other published legislation, policies and procedures; and those which are required as part of an emergency as defined in Article 24 of the Public Finances (Jersey) Law 2019. All other amendments require Ministerial approval. The amendments proposed have been through the review process set in the Public Finances Manual for amendments which includes review by Accountable Officers and Heads of Finance Business Partnering as well as the Law Officers' Department. The proposed amendments are detailed in the attached table.



The Manual and all amendments must be issued to the States' Public Accounts Committee and made publicly available.

The amendments will be notified by letter to the Public Accounts Committee and will be effective from 1 August 2025.

Section	Sub-section	Intro/ Principles/ Requirements	Description of change
Accountability	Accountable Officers for Schedule 6 bodies	New section	New section to provide guidance and requirements for officers appointed as Accountable Officer for bodies listed in Schedule 6 of the Public Finances Law.  Accountable Officers for Schedules
Accountability	Accountable Officers in Government Departments	All	<ul style="list-style-type: none">• Addition of principle relating to compliance with the spirit of the PFM.• Specific strengthened requirement relating to budgetary control – must provide an action plan if forecasting an overspend. Further action may be taken if overspend position isn't addressed.• Clarification of need for clear delegation from relevant Minister.• New requirement on forecasting. Treasury can request further forecasts.• Change to clarify that newly appointed Accountable Officers must declare conflicts if they have not done so before.• General update.

			 <p>Accountable Officers in Governm</p>
Accountability	Accountable Officers in Non Ministerial States Bodies	All	<ul style="list-style-type: none"> • Addition of principle relating to compliance with the spirit of the PFM. • Specific strengthened requirement relating to budgetary control – must provide an action plan if forecasting an overspend. Further action may be taken if overspend position isn't addressed. • New requirement on forecasting. Treasury can request further forecasts. • Change to clarify that newly appointed Accountable Officers must declare conflicts if they have not done so before. • General update.  <p>Accountable Officers in Non Mini</p>
Accountability	Accountable Officers in Specified Organisations	All	<p>Changes to ensure consistency with other Accountable Officers sections.</p>  <p>Accountable Officers in Specified</p>
Expenditure	Arm's Length Bodies	All	<ul style="list-style-type: none"> • Clarification that ALBs <u>and</u> Grants sections of the PFM apply where an ALB receives a grant. • Minor change to definition to ensure it correlates to the list of bodies. • Change to make it mandatory for written agreements to include arrangements for approval of executive remuneration. • Change to make it mandatory for written agreements to include arrangements for identification and management of conflicts of interest.  <p>Arm's Length Bodies.docx</p>
Expenditure	Changes to heads of expenditure	All	<ul style="list-style-type: none"> • Change to clarify that underspends will not necessarily go to the Reserve. • Clarification of rules for use of additional income. Removal of "matching". Approval must be sought <u>before</u> additional income is spent. • General update and simplification.

			 <p>Changes to heads of expenditure.docx</p>
Accountability	Consulting Treasury and Exchequer	All	<ul style="list-style-type: none"> • Change to make clear that financial implications must be set out in writing for significant decisions (C&AG recommendation). • Change to make clear that an exemption or breach is not needed if this section is not complied with due to proposals being brought directly by a States Member. • Change to clarify items requiring specific Treasury approval. • General update and simplification.  <p>Consulting Treasury and Exchec</p>
Financial planning and budgeting	Government Plan and budgeting	All	<ul style="list-style-type: none"> • Change to refer to “protected” expenditure in the Government Plan/Budget. • Change to refer to “Social Benefits Payments (Employment, Social Security and Housing), including Student Finance (Children, Young People, Education and Skills)” in the Government Plan/Budget. • Change relating to “Savings” in the Government Plan/Budget. • General update and simplification.  <p>Government Plan and budgeting.docx</p>
Expenditure	Grants and sponsorships	All	<ul style="list-style-type: none"> • Removal of references to sponsorships and subsidies. • Addition of principle and requirement that recipients of grants are expected to be in compliance with their wider obligations to Government e.g. paying taxes and other amounts due. • Change to make it mandatory for grant funding agreements for recipients of grants of £250,000 or over to include arrangements for approval of executive remuneration. <p>(Further changes will be made to this section once the final C&AG report on Grants and Subsidies is received and analysed.)</p>  <p>Grants and sponsorships.docx</p>

Other	Jersey Overseas Aid	Requirements	<p>Minor change to clarify arrangements for unspent funding at the end of a financial year.</p>  <p>Jersey Overseas Aid.docx</p>
Expenditure	Travel	Requirements	<p>Change to make it mandatory to notify the Insurance Advisor 14 days in advance of any travel to Areas of Unrest (as listed on the UK foreign office website).</p>  <p>Travel.docx</p>

3. Recommendations

The Minister is recommended to approve amendments to the Public Finances Manual (PFM) and to agree that the Public Accounts Committee should be notified of the amendments and that the PFM be updated to reflect the approved amendments. The amendments will be effective from 1 August 2025. Training will be offered to officers on the amendments.

4. Reason for Decision

Under Article 31 of the Public Finances (Jersey) Law 2019 the Minister is responsible for issuing a Public Finances Manual (PFM) and may amend the PFM. A notice of all such amendments must be presented to the Public Accounts Committee as soon as practicable after amendments are made. The PFM and all amendments must be made publicly available.

5. Resource Implications

The proposed amendments should improve financial governance and control within the States of Jersey and there are no direct additional financial or staffing implications related to the amendments to the PFM.

Report author: Head of Financial Governance	Document date: 30 July 2025
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