

Board of Governance of the Comptroller and Auditor General

MEETING

held on 9 March 2022 at 09:30

by Video Conference

MINUTES

Present	Grace Nesbitt	Chair
	Russel Griggs	Senior Independent Member
	Rob Tinlin	Independent Member
	Lynn Pamment	Comptroller and Auditor General
In attendance	Stephen Warren	Deputy Comptroller and Auditor General and Secretary to the Board of Governance

22/01 Item 1: Declarations of interests

Members of the Board:

- noted that the Register of Interests had been promptly updated to reflect the Comptroller and Auditor General's role with the UK Public Accounts Commission; and
- confirmed that they had no specific interests in the matters on the agenda.

22/02 Item 2: Chair's update

The Chair reported that the response she had received from the Chief Minister and Chair of the Public Accounts Committee was on the agenda at Item 4.

22/03 Item 3: Minutes of the meeting held on 27 October 2021

The Board received and agreed to adopt the minutes of the meeting of the Board held on 27 October 2021.

22/04 Item 4: Response of Chief Minister and Chair of PAC to proposals for legislative change

The Board received and considered a report from the Deputy Comptroller and Auditor General.

The Board:

- emphasised the importance of securing a Jersey-based member of the Board whilst at the same time seeking to improve other dimensions of the diversity of the Board;
- questioned whether recruitment consultants would be required to support the appointment of another member of the Board; and
- recognised the importance of involvement of key stakeholders, including the Chair of PAC and officers, in the recruitment process for an Independent Member of the Board of Governance.

The Board agreed that the Deputy Comptroller and Auditor General should:

- **review the person specification for Independent Members of the Board and as appropriate recommend revisions to the Board;**
- **review the information pack previously used for recruitment of Independent Members of the Board and as appropriate recommend revisions to the Board;**
- **liaise with States of Jersey Human Resources concerning the recruitment process for an additional Independent Member of the Board and report back to the Board; and**
- **consider agreeing arrangements for liaison with connections, including the Chamber of Commerce and Jersey Finance, to promote the opportunity to become an Independent Member of the Board and report back to the Board.**

22/05 Item 5: Review of operation of the Board of Governance: action plan implementation

The Board received and considered a report from the Deputy Comptroller and Auditor General, including a draft Succession Plan, Strategic Framework and updated Action Plan.

The Board agreed that the Deputy Comptroller and Auditor General should prepare a revised draft of the Succession Plan:

- **including an introduction providing a statutory context; the Board's commitment to diversity; participation in a Board apprenticeship scheme; the desirability of avoiding changes in Board membership at the same date; and the lead time for any recruitment;**
- **reflecting the role of the Senior Independent Member in relation to succession planning; and**
- **including an appendix detailing the dates of start and end of appointment and eligibility for reappointment of all Board members, including the Comptroller and Auditor General.**

The Board agreed the strategic framework subject to the addition of a schedule of planned reports covering three meetings of the Board per year.

The Board agreed the updated Action Plan.

22/06 Item 6: Board of Governance Standing Orders, Code of Conduct and Relationship Code - annual review

The Board received and considered a report from the Deputy Comptroller and Auditor General.

The Board agreed that the Deputy Comptroller and Auditor General should prepare draft revised versions of the Standing Orders, Code of Conduct and Relationship Code for consideration by the Board:

- **reflecting the recommendations made by the Deputy Comptroller and Auditor General in his report;**
- **including in the Code of Conduct and Relationship Code a requirement for an annual review;**
- **in the case of the Standing Orders:**
 - **removing the reference to the number of members of the Board in paragraph 4;**
 - **addressing the appointment of an Acting Secretary or minute taker in the event that the Secretary was not**

available or attending the Board under delegated authority in the absence of the Comptroller and Auditor General; and

- **reflecting in paragraph 37 the role of the Senior Independent Member in liaising with the other independent members of the Board at least twice a year; and**
- **in the case of the Code of Conduct:**
 - **revising provisions relating to interests, including in light of the desire to recruit a Jersey-resident independent member, and reflecting the desire to establish red lines in respect of both remunerated and non-remunerated activities; and**
 - **replacing the requirement in paragraph 37 for consent by the Comptroller and Auditor General with a requirement:**
 - **in the case of independent members, for consent by the Chair (following consultation with the Comptroller and Auditor General); and**
 - **in the case of the Chair, for consent by the Chair of PAC.**

22/07 Item 7: Jersey Audit Office policies

The Board received and considered a report from the Deputy Comptroller and Auditor General.

The Board agreed:

- **the Code of Conduct; and**
- **subject to inclusion of a cross-reference to the Relationship Code, the Complaints Policy.**

The Board noted:

- the other policies presented to the Board;
- the plan of the Comptroller and Auditor General to undertake further work on policies and report back to the Board; and
- the need to keep the current Travel Policy under review.

The Comptroller and Auditor General agreed to present to the Board at its next meeting a schedule of policies in force and to be prepared, including dates when they were to be reviewed.

22/08 Item 8: Annual Report and Accounts of the Office of the Comptroller and Auditor General 2021

The Board received and considered a report from the Deputy Comptroller and Auditor General and a draft of the Annual Report and Accounts of the Office of the Comptroller and Auditor General for the year ended 31 December 2021.

The Board expressed the view that the draft read well and was engaging.

The Comptroller and Auditor General agreed to:

- **consult with the Chair on the wording of the Chair's introduction;**
- **consider specific comments provided by the Chair;**
- **refer specifically to Professor Griggs' appointment and role as Senior Independent Member; and**
- **identify any opportunities to shorten the wording without detracting from the content of the draft Annual Report.**

22/09 Item 9: Assurance statement on the expenses of the Comptroller and Auditor General 2021

The Board received and considered a report from the Deputy Comptroller and Auditor General.

The Board agreed that:

- **the Professor Griggs on a sample basis agree expenses to underlying accounting records; and**
- **following completion of the sample checks, the Chair of the Board of Governance be authorised to sign and date the assurance statement for and on behalf of the Board of Governance.**

22/10 Item 10: Risk register

The Board received and considered a report from the Deputy Comptroller and Auditor General and the current version of the Risk Register.

The Board welcomed the re-evaluation of the risk relating to cyber-security and the proposed action by the Comptroller and Auditor General.

The Comptroller and Auditor General agreed to update the risk register to reflect:

- **risks associated with the Russia/Ukraine conflict and associated mitigations; and**
- **risks associated with climate change and the associated mitigations.**

22/11 Item 11: Matters arising

The Board received and considered a schedule of matters arising prepared from the Deputy Comptroller and Auditor General.

The Board agreed to update the schedule:

- **to remove the action relating to the absence of statutory provisions relating to the Deputy Comptroller and Auditor General (minute 20/61) in light of a Board decision not to proceed with this action;**
- **to reflect a decision to seek a meeting with the Director General, Strategic Policy, Planning and Performance about public audit legislation (minute 21/27) when next visiting Jersey; and**
- **to reflect a decision to explore wider community engagement to inform the work of the Board (minute 21/28) when next visiting Jersey.**

In relation to minute 21/43, the Board agreed that:

- **the Deputy Comptroller and Auditor General should update the pro-forma for performance evaluation of Board members to make clear that it should be completed by the Board member subject to review; and**
- **Board members would complete the evaluations in advance of the next meeting of the Board.**

22/12 Item 12: Comptroller and Auditor General's report

The Board received and considered a report from the Comptroller and Auditor General.

The Board:

- **welcomed the provision of information linking financial and non-financial performance; and**

- emphasised the importance of continuing to monitor the results of feedback from stakeholders and understand any underlying factors.

22/13 Item 13: Climate-related risks and opportunities for the Office of the Comptroller and Auditor General

The Board received and considered a report from the Deputy Comptroller and Auditor General and noted the observations of the Comptroller and Auditor General.

The Board, whilst emphasising the principle of proportionality, endorsed the proposed action by the Comptroller and Auditor General.

The Board, recognising the carbon footprint of its work, agreed that it would adjust the pattern of its meetings so that normally it would hold one physical meeting each year in Jersey and hold its other meetings virtually.

22/14 Item 14: Auditors appointed by the Comptroller and Auditor General

The Board received and considered a report from the Deputy Comptroller and Auditor General.

The Board:

- welcomed the results of external inspections of audit files by the Institute of Chartered Accountants in England and Wales; and
- noted the report.

22/15 Item 15: External communications

The Board received and considered a report from the Comptroller and Auditor General.

The Board endorsed the Comptroller and Auditor General's proposed actions in respect of website accessibility.

The Board expressed caution about the Comptroller and Auditor General offering to give media interviews.

22/16 Item 16: Finance update

The Board received and considered a report from the Deputy Comptroller and Auditor General detailing:

- performance to 31 December 2021;
- the detailed budget for the Office for the year ending 31 December 2022; and
- the implications of the new chapter of the Public Finances Manual specific to the Office of the Comptroller and Auditor General.

The Board noted the report.

22/17 Item 17: Schedule of potential changes in legislation and advice sought from H M Attorney General

The Board received and noted a report from the Deputy Comptroller and Auditor General without discussion.

22/18 Item 18: Gifts and hospitality register

The Board received and noted a report from the Deputy Comptroller and Auditor General without discussion.

The Board confirmed that it was satisfied that declarations should only relate to gifts or hospitality offered, accepted or declined in the context of the role of Comptroller and Auditor General or the Jersey Audit Office or otherwise relating to Jersey.

22/19 Item 19: Forward look

The Board received and considered a draft forward look prepared by the Deputy Comptroller and Auditor General.

The Board agreed that the Deputy Comptroller and Auditor General should update the forward look:

- **to include an annual review at its Summer meeting of its Standing Orders, Code of Conduct and Relationship Code and a review of the Jersey Audit Office's policies;**
- **to include at its Autumn meeting to be held in Jersey an annual strategic review and review of Board effectiveness;**
and

- **to append a schedule of stakeholders with whom to seek to meet at its Autumn meeting.**

22/20 Item 20: Dates of future meetings

The Board received and considered a report from the Deputy Comptroller and Auditor General.

The Board agreed that:

- **it would meet virtually at 10:00 on 28 June 2022;**
- **it would meet in Jersey on either 10/11 October 2022 or 17/18 October 2022, including meetings with relevant stakeholders; and**
- **it would routinely seek to hold its Autumn meeting in Jersey.**

The meeting closed at 12:35.