

Board of Governance of the Comptroller and Auditor General

MEETING

held in person 12 May 2025 at 11:00

MINUTES

Present	Michael Whitehouse	Chair
	Rob Tinlin	Senior Independent Member
	Peter Pichler	Independent Member
	Cosette Reczek	Independent Member
	Lynn Pamment	Comptroller and Auditor General (C&AG)
In attendance	Andrea White	Finance and Governance Affiliate (FGA)
	Helen Thompson	Deputy Comptroller and Auditor (DC&AG)
Apologies for absence	None	

25/01 Item 01: Declarations of interests

The Board received a presentation highlighting the changes to the register since the last meeting:

- The register has been updated to reflect the changes in Board membership
- Entries for Lynn Pamment and Rob Tinlin were updated to reflect changes in their declarations
- No interests were declared that were relevant to items on the agenda

The Board noted the report

25/02 Item 02: Chair's update

The Chair:

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- welcomed his appointment as Chair and acknowledged the different roles and responsibilities of the Board and C&AG
- reported that he had been in contact with all members of the Board prior to the meeting
- was in the process of familiarizing himself with Jersey Audit Office (JAO) policies and procedures
- acknowledged the quality and clarity of the Board papers
- reported that his first visit to the island had been arranged for 09 June 2025

The Board:

- **noted the Chair's update**
- **confirmed Rob Tinlin as the Senior Independent Member of the Board**

25/03 Item 03: Minutes of the meeting held on 02 December 2024

The Board received and adopted the minutes of the meeting of the Board held on 02 December 2024

25/04 Item 04: Risk register

The Board received a presentation highlighting the changes to the register since the last meeting highlighting:

- key changes to the register since 02 December 2024
- an IT incident which disrupted the ability of JAO workers to access the JAO systems

The Board made the following observations:

- noted that there were no new risks added to the register since 02 December 2024
- noted changes in residual risk rating
- noted the circumstances leading up to the IT incident, the level of disruption, the immediate action taken and the subsequent review of lessons to be learnt that is underway
- greater distinction could be drawn between strategic and operational risks
- scoring should be reviewed in areas where there is a significant move in risk profile from inherent risk to mitigated risk e.g. from red to green
- summarized the key areas of risk

The Board:

- **noted the changes made to the risk register since the last meeting**
- **requested that the risk register be updated to include a greater distinction between strategic and operational risk**
- **requested a review of inherent risk ratings where there is a significant move between inherent and mitigated risks**

25/05 Item 05: Annual Report and Accounts of the Office of the Comptroller and Auditor General

The Board received the JAO Annual Report and Accounts. They commended the C&AG on the clarity and succinctness of the document.

The Board noted

- an overall underspend for 2024 was largely due to delay in the anticipated expansion of the audit boundary for the audit of the States of Jersey accounts for 2024
- the completion of the audit of the JAO Annual Report and Accounts, the content of the audit closure and representation letters from the auditor and that the auditor had no audit issues to report
- the timescale for the renewal of contract for the audit of the JAO Annual Report and Accounts, the option to extend the contract by a year and that the contract is awarded by the Public Accounts Committee (PAC)

The Board:

- **noted the report**
- **agreed that the Chair of the C&AG Board should write to the Chair of PAC recommending that the option to extend the contract to audit the JAO Annual Report and Accounts be exercised**

25/06 Item 06: Assurance Statement on the expenses of the Comptroller and Auditor General

The Board reviewed its 2024 assurance report to be included in the JAO 2024 Annual Report. The Board noted that

- it had received information on C&AG expenses in the financial reports to its meetings held on 24 July 2024, 24 October 2024 and at this meeting on 12 May 2025
- the complete schedule of the C&AG's expenses for 2024 included in this agenda
- the C&AG's expenditure is checked by the FGA and approved by the DC&AG
- the C&AG's expenses have been audited as part of the JAO Annual Report and Accounts audit for the year ended 31 December 2024

The Board:

- **approved the 2024 assurance statement for inclusion in the 2024 JAO Annual Report and Accounts**
- **confirmed there were no matters it wished to draw to the attention of the States Assembly**

25/07 Item 07: Estimates of the Office of the Comptroller and Auditor General

Board received a presentation setting out details for the submitting the JAO Government Plan estimates for 2026-2029.

The Board noted:

- that the estimates were subject to the outcome of the current tender exercise for the States of Jersey accounts audit from 2026 onwards. The date for tenders to be submitted is 16 May 2025 when information on the range of fees expected will be known. The final decision and the cost of the audit will be known when the contract is awarded on 30 June 2025
- the only other change from last year's estimates is expected to be the estimated requirement for 2029 which will be based on the 2028 figure in the Government Plan for 2025-2028, uplifted by inflation
- the procedure once the estimates are finalized includes:
 - approval by the Board
 - a letter from the Comptroller and Auditor General to the Chair of the Public Accounts Committee, the Board noted the example provided
 - a letter from the Chair of the C&AG Board to the Chair of the Public Accounts Committee on behalf of the Board endorsing the Comptroller and Auditor General's 2026-2029 Government Plan, the Board noted the example provided
- the Board discussed
 - the level of flexibility within the current Government Plan 2025-2028 to accommodate a significant increase in the Government of Jersey accounts audit fee
 - the criteria used to assess the tenders including for example the level of on island presence, management letter quality
 - the risks associated with such contractual increases
 - the need for clarity around efficiency assumptions

The Board noted the report

25/08 Item 08: Recruitment of the new C&AG

The Board received an update on the Government of Jersey's (GoJ) plans for the recruitment of a new C&AG. The Board:

- noted the draft candidate brief with the C&AG's comments
- the outline recruitment timetable
- correspondence from GoJ HR recruitment consultant to the C&AG Board Chair

The Chair reported that he had spoken to the GoJ HR recruitment consultant and would be meeting with her and the Chair of the Appointments Commission on 09 June 2025 when he visited the island.

The Board discussed the recruitment timetable, the recruitment process, the contract options for the new C&AG appointment and the risks and challenges associated with them. The Board made the following observations:

- whether the current role description captured the breadth of the role, particularly in relation to performance work
- whether a technical understanding of financial statements audit would be required, as this could be provided by a key member of the JAO team
- the nature of the proposed contract should be discussed as early in the process and possible and should support the principle of independence
- it would be helpful to understand the basis of the choice of recruitment specialists which the GoJ is intending to approach and the breadth of their experience of such appointments
- discussed and agreed the need for a proposed independent advisor for the panel, and the suggested people to approach

The Board noted the report

The Chair agreed to take forward the Board's observations when he meets with the Chair of the Panel and the GoJ HR consultant on 09 June 2025

25/09 Item 09: Update on annual Assessment of Board member performance and Board performance

The Board received a presentation highlighting:

- that Board member performance reviews were carried out between Jan - March 2025 by the previous Chair Grace Nesbitt
- the outcomes of the Board Performance review questionnaire for 2024

The Board noted:

- the key themes arising from the member performance reviews
- 19 out of 21 questions received positive responses
 - Q6 The Board has a good understanding of the performance of the office relative to other bodies where appropriate to enable it to scrutinise the use of resources and governance arrangements of the Office - 50% partially disagreed
 - Q13 The Board is satisfied that it receives full and timely notification of significant losses, special payments or fraud - 25% partially disagreed

The Board was content with the overall positive results and that no further action was required at this stage.

The Board felt that the questionnaire could be slightly amended to ensure the questions were easier to respond to.

The Board

- **noted the report**
- **requested that the questions on the performance questionnaire be reviewed to ensure that they were clear and easy to respond to**

25/10 Item 10: Matters arising

The Board noted from the matters arising report that all items are on track or are completed.

25/11 Item 11: Jersey Audit Office Strategy Update

The Board received the following presentations on the activities being undertaken in relation to each of the JAO's key strategic aims

High performing audit organisation

- Deliver and enhanced Audit Quality Framework, including
 - And update on the States of Jersey External Audit 2026 tender
 - Jersey Advisory and Conciliation Service and the Jersey Gambling Commission tenders
 - the audit quality framework activities
- Enhance our project management and use of technology, including
 - peer review arrangements
- Measure and action stakeholder feedback
 - Annual report and accounts
 - Transparency report
- Benchmark our performance against our peers

The Board discussed and noted the following:

- both the JAO Annual Report and Accounts and Transparency Report are clear and easy to read
- 20 members attended the C&AG briefing on the JAO Annual Report and Accounts and Transparency Report to the States Assembly in March 2025

The Board noted the report on activities relating to achieving a high performing audit organisation

Supporting effective scrutiny and accountability

- Work closely with the Public Accounts Committee (PAC)
- Work effectively with internal audit, audit committees and with other independent bodies and office holders
- Hold stakeholder events to share our findings and discuss best practice
- Hold outreach events to engage Islanders in the work of the JAO

The Board discussed and noted the following:

- PAC periodically issue their own reports

The Board noted the report on activities relating to supporting effective scrutiny and accountability

Making a difference

- Make effective recommendations
- 2025 Performance Audit Plan
- Share good practice more proactively
- Implement our Corporate Social Responsibility Strategy
- Celebrate the 20th Anniversary of the JAO in 2025, including:
 - Events schedule

The Board discussed and noted the report on activities relating to making a difference

Building a more resilient organization

- Support the Board of Governance to perform its role effectively, including
 - Management Accounts for the 12 months to December 2025
 - Project work programme
 - 2025 budget
 - Target Operating Model update
- Implement effective succession plans for the Chair of the Board of Governance and the C&AG as they reach the end of their terms of office
- Refresh policies and procedures including the service level agreement with the States of Jersey, including
 - policies update
 - Acceptable Use Policy
 - Bring Your Own Device Security Policy
 - Password Policy
- Support the drafting and implementation of an updated C&AG (Jersey) Law
 - final Law Drafting Instructions
 - law amendments

The Board discussed and noted the following:

- the Board supports the aims of the Target Operating Model and the actions being taken to increase the resilience of the JAO office and its presence on the island
- that policies would need to be updated if the JAO were to employ staff in the future
- the range of Affiliate skill, knowledge and experience and the outcome of the recent recruitment of new Affiliates
- that the new JAO IT policies are a departure from the current methodology and that Affiliate training would be required in this area
- that the Code of conduct is a key mechanism for confirming compliance with JAO policies
- the current capacity of the office to test business continuity
- that proposed new C&AG Law widens remit of the C&AG and in addition to the areas included in the C&AG's mid-term reflection report, the draft law includes 3rd party assets held by the GoJ and relevant non-ministerial departments
- the C&AG, as yet, has not been consulted on transition once the new law has been passed
- the C&AG mid-term reflections report stated that the Law changes would not have a budget implication for the office

The Board suggested that it might be beneficial for the office policies to be benchmarked against other audit offices in the future.

The Board:

- **noted the report on activities relating to Building a more resilient organization**
- **requested that the C&AG consider benchmarking the office policies against other audit offices**

25/12 Item 12: Items relating to future meetings

The Board received and considered:

- the forward look
- dates of future meetings

Forward plan

The Board discussed and noted:

- the summary of the work programme of the Board for 2025
- the optimum time for the C&AG appraisal to take place would be March 2026, after stakeholder feedback is collected
- the Board performance questionnaire for 2025 should be completed in the autumn so the results and be reported to the October 2025 Board. The revised questions should be submitted to the July 2025 Board for review.
- Board apprentice scheme. The Board originally joined the Board apprentice scheme for two main reasons:
 - to provide an some on-island knowledge to the Board
 - to assist in providing some Board experience to a person who wished to join a board
- Now the Board has an on-island member, the need for on-island representation via the Board apprentice scheme is negated.
- Due to the specific and narrow nature of the Board's responsibilities, it does not provide the breadth of experience that an apprentice would need to be relevant to other Boards
- Board member requirements imposed by the Comptroller and Auditor General (Board of Governance) (Jersey) Order 2015, resulted in difficulties recruiting an apprentice who did not have a conflict

The Board:

- **noted the forward look schedule**
- **requested that the board performance questions be reviewed and brought back to the July 2025 board meeting**
- **requested that the revised performance questionnaire be circulated for completion in the autumn and the results be brought back to the October 2025 board meeting**
- **decided not to join another Board apprentice scheme at this time**

Dates of future meetings

The Board discussed and noted:

- the date of the next meet is on 29 July 2025 at 2pm via Teams
- the FGA should plan the autumn meeting to be on-island on Thursday 16 October 2025. Although the Chairman would need to be back in the UK by 6pm on the 16th, the remaining Board members could be available for the island commonwealth event on 17th October 2025
- its requirement for the FGA to canvass dates for 2026 board meetings using a two week window around
 - January 2026
 - mid April 2026
 - July 2026
 - October 2026
 - December 2026

The Board:

- **agreed the meeting dates for July 2025 and October 2025**
- **requested that the FGA canvass dates for the 2026 board meetings**

The meeting closed at 14:30