

Thursday 05 May 2016

THE USE OF COMPROMISE AGREEMENTS

Comptroller and Auditor General issues latest report

Comptroller and Auditor General (C&AG) Karen McConnell has today (05 May 2016) published her report on Compromise Agreements.

This report follows up on the recommendations made by the former C&AG in 2012. Those recommendations arose from 2 reports, the *Utilisation of Compromise Agreements* and *The Former Chief Executive - Compromise Agreements*. Those reports identified a number of weaknesses in arrangements.

Karen McConnell found that the States had taken steps to implement some, but not all, of the recommendations.

She concluded that the priority areas for action were:

- embedding arrangements to respond to the impact of ministerial government (and the complex relationship between an individual Minister, a Chief Officer and the Chief Executive) when driving corporate change and, at the same time, delivering departmental priorities;
- reviewing contractual terms for senior staff when opportunities arise, taking into account the need for reform;
- developing the system of performance management, including for Corporate Management Board (CMB) members, so that corporate priorities are clearly reflected and cultural change is clearly led from the top; and
- developing and applying clear consistent documentation standards to support decisions to use compromise agreements.

Karen McConnell said:

“Compromise agreements are a valid and important tool of management and can be useful when seeking to secure change. However payments made to departing staff, especially senior staff, understandably arouse public interest. Although some welcome changes have been made, such as the Code of Conduct for Ministers and changes in law to enhance the role of the Chief Executive, more needs to be done to ensure that value for money is being achieved. The findings of this review again identify actions that need to be taken to facilitate the shift in culture necessary to secure change.”



The report will be available on the Jersey Audit Office's website from 0930 on 05 May at (www.jerseyauditoffice.je).

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Notes to Editors:

- The Office of Comptroller and Auditor General ('C&AG') was established in 2005 and operates under the Comptroller and Auditor General (Jersey) Law 2014
- The remit of the C&AG includes the audit of financial statements and wider consideration of public funds, often expressed as 'value for money'
- Karen McConnell was appointed in 2013 and the term of office was extended in 2014 to December 2019.
- Formerly of the UK Audit Commission ('the Commission'), Karen held a variety of senior positions, including leading the Audit Practice
- The Office of Comptroller & Auditor General is known as the 'Jersey Audit Office'
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Comptroller and Auditor General's Policy regarding issue of reports and contact with the media:

- Press releases will be published by the Jersey Audit Office to accompany the publication of each report
- Embargo times will be set at 0001 hours on day of publication - for both press releases, reports, and all other information pertaining to the publication date
- Other press releases/ statements may be made on an occasional basis, and not necessarily dependent upon the publication of a report. They will be subject to the same embargoes
- With any report issued, the opportunity is available for members of the press to request factual clarification, by email, of points contained therein
- Any comments made additional to any reports, will be included within any press release(s) as issued by the Jersey Audit Office, in the form of a quotation by the C&AG. These comments will be available for publication; but there will not be any supplementary live or pre-recorded interviews offered or undertaken by either Karen McConnell or the employees of the Jersey Audit Office
- The C&AG is prepared, on an occasional basis, to provide articles for publication in the local media, following a specific request and consideration of the relevant topic
- All public information, including press releases and reports, are accessible on the Jersey Audit Office website at www.jerseyauditoffice.je

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