

13 October 2016

ROOM FOR IMPROVEMENT IN THE STATES' USE OF CONSULTANTS

Comptroller and Auditor General issues latest report

Comptroller and Auditor General (C&AG) Karen McConnell has today (13 October 2016) published her report into the States' Use of Consultants.

This report evaluates the effectiveness of the States' overall arrangements for the use of consultants against best practice including:

- careful consideration of why the consultant is needed and the right consultant to engage;
- skillful management of the project and supplier through to delivery; and
- effective evaluation of consultants' findings, implementation of agreed recommendations and sharing of experiences.

The C&AG found that securing base information on expenditure on consultants was difficult due to problems accessing data, ambiguities in definitions and inconsistencies in coding.

She concluded that the States recognise that buying consultancy services is different from buying other goods and services. Separate procedures have been put in place to accommodate these differences and there are some good examples of how consultants have been used effectively. However, there are some key weaknesses, both in the arrangements as documented and as operated in practice. In particular:

- monitoring of expenditure on consultants is undeveloped;
- documentation of the need for the use of consultants is often not in place;
- there is insufficient focus on transfer of valuable skills from consultants to States' employees;
- effective evaluation of consultancy projects at their completion is rare; and
- arrangements for acting on the results and conclusions from consultancy projects are inconsistent.

These weaknesses mean that there is an increased risk that the States does not secure value for money from expenditure on consultants.

Karen McConnell said:

"Consultants used wisely are a valuable resource to the States."

"However, the level of management information the States hold on the use of consultants is at best basic. I am disappointed that there is no corporate monitoring of expenditure on consultants. Much more needs to be done to understand expenditure on consultants, hired services and professional services to ensure that value for money is being secured."

"High performing organisations only use consultants having first considered whether skills are available in-house. They also recognise the need to keep in mind the skills needed for the future and, when using consultants, they prioritise transfer of skills from consultants to their own workforce. But there is no database of skills available within the States' workforce and insufficient focus on skills transfer. Consultants will always be needed in some specialist areas. In other areas - such as digital, project management and contract management - skills gaps should be identified and steps taken routinely to transfer skills to the States' own workforce."

The report will be available on the Jersey Audit Office's website from 0930 on 13 October at (www.jerseyauditoffice.je).

ENDS

For further information, please contact:

Rozena Pedley

M: 00 44 7797 733553 / T: 00 44 1534 629800

E: rozena.pedley@jerseyauditoffice.je

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'
- Contact details are: Lincoln Chambers (First Floor), 31 Broad Street, St Helier JE2 3RR T:716800 / E: enquiries@jerseyauditoffice.je



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

ENDS