

States of Jersey Development Company Project Specification

Background

In 2011, following a decision of the States Assembly, the Waterfront Enterprise Board Limited was reconstituted as the States of Jersey Development Company (SoJDC), a company wholly owned by the States. The States agreed:

- a more clearly defined focus for SoJDC on property development within defined risk parameters;
- a clearer relationship with the executive branch of government through the Minister for Treasury and Resources;
- an agreed protocol for transfer of assets from the States of Jersey to the SoJDC; and
- arrangements for accountability, via the Minister, to the States Assembly.

The proposition adopted by the States included a Memorandum of Understanding between the States and SoJDC.

The objectives of SoJDC, its individual decisions and the arrangements for its accountability continue to be subject to scrutiny. I have received correspondence about SoJDC from a number of members of the public that I have taken into account in preparing this brief.

The Functions of the Comptroller and Auditor General (C&AG)

Article 11 of the Comptroller and Auditor General (Jersey) Law 2014 requires the C&AG to:

- provide the States with independent assurance that the public finances of Jersey are being regulated, controlled, supervised and accounted for in accordance with the Public Finances (Jersey) Law 2005;
- consider and report to the States on:
 - the effectiveness of internal controls of the States, States funded bodies and funds;
 - the economy, efficiency and effectiveness in the way the States, States funded bodies and funds use their resources; and
 - the general corporate governance arrangements of the States, States funded bodies and funds; and

- make recommendations to bring about improvement where improvement is needed.

Objectives and scope

The review will:

- evaluate the extent to which the:
 - the internal operations of SoJDC;
 - the operation of the shareholder function by States Treasury and Exchequer;
 - the arrangements for transfer of land from the States to SoJDC; and
 - arrangements for wider accountability of SoJDC

comply with the principles set out in the proposition establishing SoJDC adopted by the States; and

- identify the scope for improvements in arrangements.

The review will not question the underlying policy adopted by the States in respect of property and infrastructure regeneration.

The objectives and scope of the review may be changed in light of developments in the course of the review.

Approach

The work will involve both looking at overall arrangements and one or more individual development projects and disposals as evidence of the effectiveness of those arrangements.

The work will include:

- review of documentation from both the States and SoJDC;
- interviews with directors and senior staff of SoJDC; and
- interviews with key States officers from both States Treasury and Exchequer and Jersey Property Holdings.