



OFFICE OF THE COMPTROLLER AND AUDITOR GENERAL

ANNUAL REPORTING

A GOOD PRACTICE GUIDE - AUGUST 2020

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## 1. Introduction

Annual Reports and Accounts are a key means by which an organisation tells the story of their year. Public annual reporting, done well, enables stakeholders to understand – with trust and confidence – an organisation’s strategy and the risks it faces, how much money has been spent and on what, and what has been achieved as a result. It enables stakeholders to hold the organisation to account effectively.

In this first Good Practice Guide published by the Office of the Comptroller and Auditor General, I set out some good practice principles for excellence in annual reporting by public bodies and provide some illustrative examples from organisations. I have drawn these examples from my review of the annual reports of public sector organisations in Jersey which underpinned my report *Annual Reporting* published in August 2020.

My work identified the six essential elements of a good annual report. Information on each of these elements should be included:

- Strategy
- Risks
- Operations
- Measures of success
- Financial performance
- Governance

I have drawn on these elements together with the following fundamental principles identified by the UK National Audit Office in identifying the examples contained within this guide:



### Accountability

Good reporting:

- ‘tells the story’ of the organisation in a fair and balanced way;
- demonstrates compliance with relevant reporting requirements;
- describes clear action points to take forward; and
- incorporates non-financial reporting, such as climate change targets.



### Transparency

Good reporting:

- includes frank and honest analysis;
- does not avoid the challenges an organisation is facing;
- makes appropriate use of data;
- quantifies risks and performance measures; and
- demonstrates an understanding of the organisation’s activities on the wider society.



### Accessibility

Good reporting:

- fully integrates key financial statement trends within the narrative;
- includes concise summaries of key points;
- considers how the organisation engages with key stakeholders and meets their needs; and
- explores different ways that an organisation can engage and influence their stakeholders.



### Understandable

Good reporting:

- uses plain English to explain difficult concepts;
- uses infographics and diagrams to communicate important messages; and
- has a clearly integrated structure to help users navigate it effectively.

My review of annual reports and accounts of Jersey public organisations identified that organisations can do more to produce fully integrated reports, where the annual report more closely complements and narrates the financial performance of the organisation. In some instances, annual reports are being produced without including a commentary on financial performance or a set of financial statements. I encourage all public organisations in Jersey to perform better and to engage early with internal and external stakeholders when considering the content and presentation of their annual reports.

I also urge public organisations to present a balanced and objective narrative of what they have achieved during the year, together with the challenges they have faced along the way. Too often the annual reports I reviewed were characterised as a list of achievements rather than a fair, balanced and understandable narrative of the year.

The extracts within the Guide have been taken from various annual reports and links to the full reports are included for information (some reports may have been updated for 2019 subsequent to the production of this Guide).

I hope that organisations will find this guide to be useful as they start to consider their public annual reporting for 2020 and beyond.

**Lynn Pamment**

**Comptroller and Auditor General**

## 2. Strategy

The best reports include:

- a statement of the purpose and activities of the organisation including a brief description of the business model and environment, organisational structure, objectives and strategies;
- clarity around purpose, strategic objectives and key programmes/projects;
- a statement from the entity's chief executive or equivalent providing their perspective on the performance of the organisation over the period;
- a frank and honest view of progress against objectives;
- clear description of plans to implement priorities;
- the key issues and risks that could affect the entity in delivering its objectives; and
- clear integration between strategy, performance measures, risks and financial information.

The strategy of the organisation should be the focal point for the structure of the annual report.

Jersey Water achieves this well. Their 2019 annual report sets out their vision and objectives clearly together with discussion of key programmes. There are strong links between the 10 Key Performance Indicators (KPIs), the strategic objectives, financial performance and the key risks.

<https://www.jerseywater.je/wp-content/uploads/2019/12/JW-Annual-Report-2019.pdf>



### 3. Risks

The best reports include:

- an easy to understand explanation of the organisation's structure;
- clear links between risks, strategic objectives and the performance report narrative;
- quantified risks and mitigations;
- a description of how the dynamic of the risk profile has changed over time, including developments in relation to specific risks disclosed; and
- an explanation of the adoption of the 'going concern' basis where this might be called into doubt. For example where there are significant net liabilities that will be financed from resources voted by States Assembly in the future.

Strategic Reports

Annual Report 2019

## Risk Management Statement

The Company's approach to risk is defined in its risk management policy, which outlines the roles and responsibilities for the identification, evaluation and management of risks throughout the business.

The primary feature of our risk management process is the use of agreed, defined matrices, which allow a business wide systematic approach to the evaluation, scoring and escalation of identified risks. This provides the Board and Risk Committee with assurance that they may compare all assessed risks, knowing that they have been evaluated against the same set of perspectives and associated severity ratings.

Set out below are the principal risks to the organisation and the mitigation measures to manage them, which are either in place or planned. This list is not exhaustive and is not set out in any order of priority.

The Committee has identified the following six spheres or categories of risk as the main ones faced by the company, together with principal mitigations as described.

### 1. Operational Safety and Resilience

The Company's primary statutory object is to provide, or ensure the provision of, safe, secure and efficient port operations for Jersey.

All key operational areas are audited regularly in order to meet this objective, both through internal analysis and external inspection, and to ensure continual compliance with all regulatory and safety requirements imposed upon the Company by various regulators and agencies in the UK, the EU and the Channel Islands. Please see the Compliance and Assurance Statement on page 51.

There is a separate regulatory compliance team, independent from business operations, which works with people in the latter who have specific regulatory assurance responsibilities. Detailed attention is paid to effectual incident and accident investigations and a good reporting culture for the same.

A similar system operates for all internal health and safety matters, with responsibilities defined across all business areas.

### 2. Business Continuity

The objective is to have zero downtime in significant maritime and aviation infrastructure, or in facilities provided by the company for passengers and freight.

In particular, as well as power-dependent critical assets being linked to back-up supplies, there is a fully operational and approved back-up facility for air traffic to manage the Channel Island airspace, and a remote digital air traffic tower contingency facility, which is the first approved for operational use in the UK. There are comprehensive planned preventative and reactive maintenance programmes at both Airport and Harbour. The company contributes significantly to Jersey-wide emergency and business continuity planning.

Capital expenditure planning includes ensuring that asset life cycles are satisfactorily captured in replacement programmes.

We have over the last two years replaced the Government provided core ICT and applications infrastructure with our own. These provide better resilience and added functionality, including the ability for employees to work remotely, either elsewhere on our estate or if necessary at locations such as from home.

### 3. Financial Risk

The company is dependent upon its revenues for meeting its obligations, which include a range of public service obligations such as running the Coastguard and maintaining the historic harbours. The company receives no financial support from taxpayers' funds.

There is an established financial model for all budget forecasting and monitoring income and expenditure, and the capital plan is kept under very regular review to ensure relevance, affordability and value for money in relation to business objectives.

The company seeks to work closely with its economic regulator, the Jersey Competition Regulatory Authority (JCRA), in order to aim to ensure that its regulated prices are adjusted at least in line with inflation subject to any efficiency targets.

The closest possible attention is paid to capital project governance, led by a separate project management office and with all roles in projects well defined in line with international best practice.

### 4. Reputational Risk

Ports of Jersey is a customer-focused business. Over 2 million passengers pass through its gateways each year, along with every item of freight that is consumed in Jersey.

Customer satisfaction is monitored regularly, and measurable customer service standards set. This is an integral part of the company's requisite portage to the JCRA. Relevant senior managers develop and maintain the company's relationship with major customers such as airlines, shippers and ferry operators.

Appropriately close liaison is maintained with those in the Government of Jersey who have responsibility for its shareholder function and a watch kept on policy and legislative developments that could possibly impact adversely upon the company.

### 5. People Risk

The company's staff are, far and away, its most precious and critical asset. Given Jersey's tight labour market, this asset needs nurturing.

Considerable attention is paid to pay, terms and conditions, training and workplace wellbeing across the business, so that these are in line with, or better, than market norms where those can be judged. Succession plans are in place for all critical areas and we currently have apprentices and trainees within three areas of the business. Training budgets are considerable and kept under regular review. Special programmes have been instituted to seek to attract, reward and retain people with particularly key skills.

### 6. Cyber Risk

The importance of managing this risk has been increasingly recognised and a wide range of counter measures is in place to detect and repel malicious interventions in the company's systems, however they might arise. Penetration testing and vulnerability scans are undertaken by a leading independent consultancy. Staff training has been stepped up to help avert unwitting compromise of the company's IT systems.

The Committee has established a rolling review programme with the aim of ensuring that all angles to this complex problem are covered.

The 2019 Annual Report of the Ports of Jersey is a good example of clearly set out risks.

[https://e.issuu.com/embed.html?d=annual\\_report\\_2019&u=advert-int](https://e.issuu.com/embed.html?d=annual_report_2019&u=advert-int)



The 2019 Annual Report of Jersey Water provides a narrative of how risks are changing and being managed over time.

<https://www.jerseywater.je/wp-content/uploads/2019/12/JW-Annual-Report-2019.pdf>

## Short Term Drought

### Risk:

The Company's reservoirs have sufficient capacity to store approximately 120 days' average demand for water.

This is adequate to manage the normal variance in seasonal demand for water. However, the relatively low reservoir storage capacity coupled with the reliance of the Island on rainfall means that water resources in Jersey are particularly susceptible to periods of drought.

### Risk Management:

The Company manages its water resources prudently, ensuring that reservoirs are filled quickly in periods of rainfall. As part of its drought management plan, the Company maintains a standby desalination plant in case additional resources are required and further contingency measures are available should the need arise.

The Company adopts a number of strategies to reduce the demand for water including Island-wide metering, pressure reduction and leakage control.

The Company works closely with the States of Jersey through the Drought Group to monitor water resources and assess the risks of drought.

The forthcoming Water Resources and Drought Management Plan will enhance the process by which the Company manages short term drought.



## Climate Change

### Risk:

During the period the States Assembly agreed that there exists a climate emergency likely to have profound effects in Jersey and indicated an ambition of Jersey becoming carbon neutral by 2030. The Government are due to publish their plan to achieve this in late 2019.

The effects of climate change have the potential to significantly affect the operations of Jersey Water if left unchecked.

### Risk Management:

Jersey Water considers climate change and its effects within the Company's risk management framework, assessing the effects of different elements of climate change on the business and determining the measures necessary to mitigate them.

A key area of interest is the effect of climate change on water available for use, the changing patterns of rainfall and the impact of dry weather on the demand for water. Such considerations are considered within the best practice framework adopted for the Water Resources and Drought Management Plan. The plan looks 25 years into the future and is designed to be iterative such that changes in forecast and outlook can be accommodated through adjustment to the plan.




## 4. Operations

The best reports include:

- clear explanation of different delivery models used, the reasons for using these models and how they achieved value for money;
- narrative around how business operations support wider public sector (or other) objectives;
- for significant contracted-out services, discussion of how these contracts are awarded and how the entity manages the ongoing contract;
- consideration of capital investment and how it achieves value for money; and
- non-financial reporting alongside financial reporting.

The 2019 Annual Report of Jersey Electricity contains some commentary on how it manages its operations and its key contracts.

<https://www.jec.co.uk/media/574771/je2019raweb.pdf>



### MAINTAINING AFFORDABLE ELECTRICITY AND PRICE STABILITY

We continue to focus on delivering secure, low carbon electricity supplies and maintaining relative stability in customer tariffs. Our below-inflation rise of 3.5% effective from 1 April 2019 was only our second price rise in five years following the 2% increase in June 2018. This more recent rise was largely driven by a weakening of Sterling relative to the Euro and other inflationary factors. Despite this, the most recent 'default maximum tariff' introduced by Ofgem, the UK electricity Regulator, to cap prices payable in the UK, is set at a level that is more than 30% higher than the average customer is paying in Jersey. Our domestic tariffs also continue to benchmark well against other jurisdictions, including the EU15, which is presently around 15%-20% higher than Jersey tariffs.

We have a long-term rolling importation framework with EDF which has been in place for 35 years since 1984 when we installed our first subsea cable between Jersey and France. We extended this by five years to 2027 in 2017 to help maintain a stable importation regime over a potentially uncertain Brexit period, with the intention that a similar contractual arrangement would be put in place post 2027. EDF has provided assurance that whatever the final terms of the UK's exit from the EU are, this will not affect our existing supply agreement. This agreement combines a fixed price component with a market related mechanism that allows us to price lock in future prices over a rolling three-year period. Our electricity purchases are materially, albeit not fully, hedged for the period 2019-22.

This year we imported 94% of Jersey's electricity requirements from EDF. This represents a substantial portion of our cost base and is contractually denominated in Euro. To reduce our exposure to foreign exchange fluctuations and to aid tariff

planning, we also enter into forward currency contracts. Due to this hedging, the average Euro/Sterling rate underpinning our electricity purchases during this financial year was 1.19 €/£ against the average spot rate of 1.13 €/£ due to continuing volatility on foreign exchange markets brought about by Brexit. While our strategy provides us with some degree of protection and forward stability, we expect further turbulence in energy and foreign exchange markets going forward.

Though our Smart Meter installation programme SmartSwitch met with unavoidable third party delays this summer, we are pleased that the final phase to replace 4,500 Pay As You Go (PAYG) key meters is set to go live early in the New Year and is now expected to be completed by summer 2020. SmartSwitch has already brought efficiencies for the business and benefits for customers, including our 24-hour uninterrupted heating tariff Economy 20 Plus (E20+) that supports our fuel switching strategy. Around 200 customers a year are joining this tariff. This year, over 900 new domestic customers joined our various discounted space and water heating tariffs bringing the number of customers now on our off-peak tariffs to 18,910.

An independent Jersey Government review into our Standby Charge for commercial embedded generators published its findings in February. It concluded that we are justified in recovering our costs of providing grid and backup power services to these customers via such a charge. We implemented the charge of £3.25 per kWp per month on 1 May for embedded commercial solar generating facilities only and are currently reviewing charges for other embedded generating technologies such as Combined Heat and Power (CHP), as recommended by the report, to ensure they are fully cost reflective.

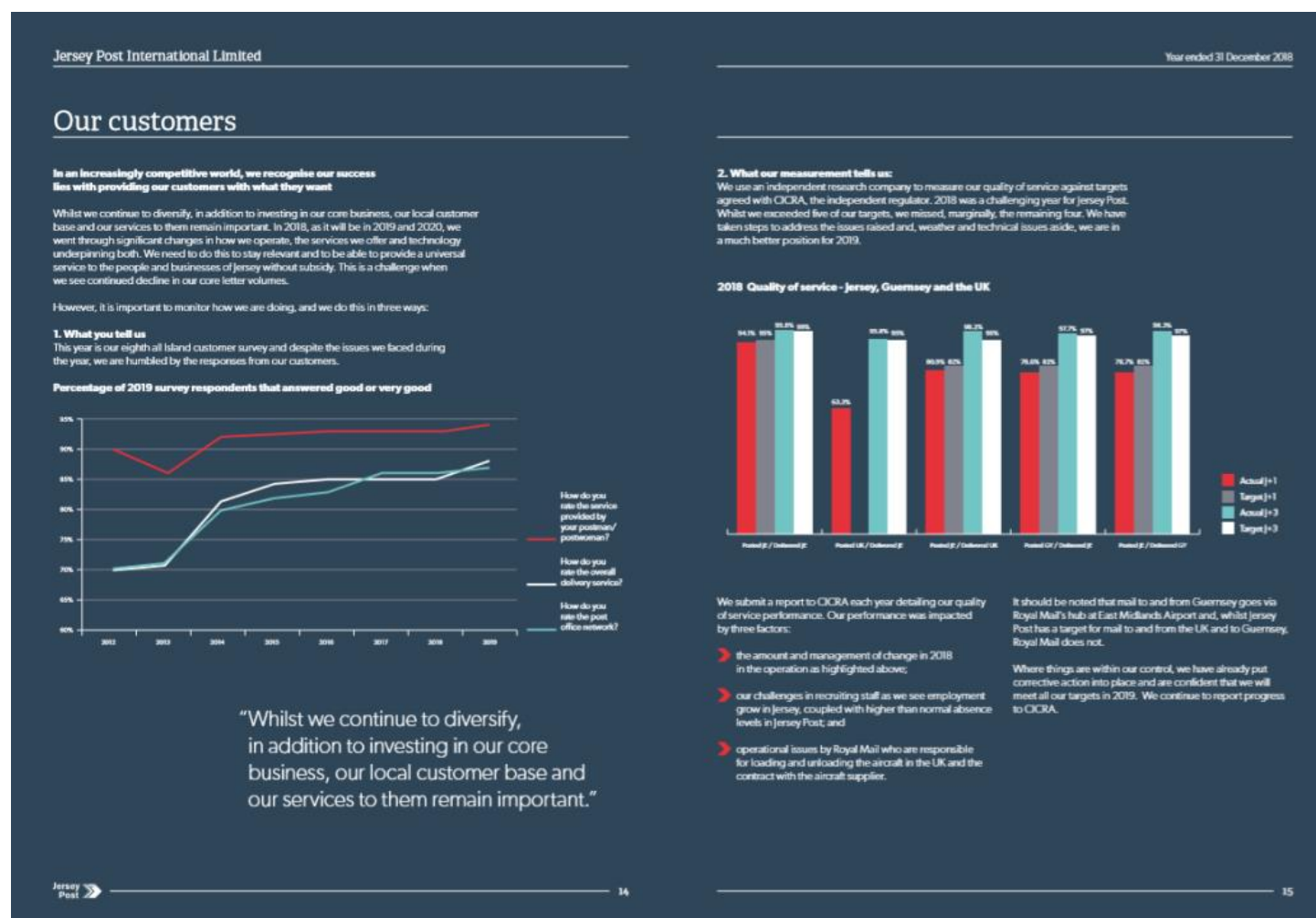
## 5. Measures of success

The best reports include:

- information on how the entity measures performance i.e. what the entity sees as its key performance measures, how it checks performance against those measures and narrative to explain the link between KPIs, risk and uncertainty;
- quantified KPIs aligned to strategic objectives and making appropriate use of financial and non-financial data;
- an analysis and explanation of the development and performance of the entity during the year and an explanation of the relationships and linkages between different pieces of information;
- a balanced assessment of goals achieved and performance against targets;
- honest analysis when targets are not met;
- non-financial information including social matters, respect for human rights, anti-corruption and anti-bribery matters; and
- information on environmental matters including the impact of the entity's business on the environment.

The 2018 Annual Report of Jersey Post contained some good analysis of performance together with a commentary on areas to be improved.

<https://www.jerseypost.com/about-us/annual-report/>



## 1.4 Sustainability report



4.1m

Total air miles

1400tCO<sub>2</sub>eEquivalent emissions - fleet  
vehicle fuel

3.4m

(litres)

Heating oil energy consumption



38.4

(millions of kWh)

Electricity energy consumption



£2.0m

Water supply costs

16.7ktCO<sub>2</sub>e

Total emissions

## 1.4 Sustainability report

## Introduction

The Government of Jersey is committed to managing its environmental performance and resource use to help deliver efficiency savings. We are committed to reducing the environmental impacts caused by the day to day operations of our services and activities. We will work to reduce the negative environmental impact of departments by:

- complying with the requirements of environmental legislation and approved codes of practice
- improving environmental performance
- reducing pollution, emissions and waste arising from our activities
- reducing the use of all raw materials, energy and supplies
- raising awareness, encouraging participation and training employees in environmental matters
- encouraging similar environmental standards from all suppliers and contractors
- assisting customers and clients to use products and services in an environmentally-sensitive way
- liaising with the local community
- participating in discussions about environmental issues.

During 2019, a light touch programme of staff engagement and awareness took place due to the restructuring of the organisation to the new target operating model and changes in location of service areas. Pollution prevention plans and environmental legislation compliance will be reviewed in 2020 once the new structure and moves to new locations are complete.

## Highlights of 2019 include:

- In May 2019 the States Assembly, voted to approve proposition 27/2019 and declare a climate emergency.
- As part of the Plastic Free Jersey campaign surfers against sewage asked Jersey to be a mentor island as part of their cold-water islands project.
- Work has been ongoing to address and reduce marine litter in our waters including attending the British Irish Council (BIC) symposium in February 2019 and engaging with the local fishing sector.
- All staff were notified and encouraged to take part in 'Switch off fortnight' in November.
- The eco schools programme has continued and four schools have achieved new or renewed green flags in 2019.
- Promotion of the UN Climate Change Teacher Training Programme

The States of Jersey 2019 Annual Report contains detailed information on sustainability in a clear and separate sustainability report.

<https://www.gov.je/Government/Pages/StatesReports.aspx?ReportID=5234>



## 6. Financial performance

The best reports include:

- a fair and balanced reflection of financial performance which is consistent with the underlying financial statements;
- useful comparisons of actual performance against expected/budgeted performance; and
- linkages between financial performance, strategic objectives and key performance indicators.

Andium Homes' 2018 Annual Report contained a comparison of actual performance to budget and provided a commentary on differences.

<https://www.andiumhomes.ie/wp-content/uploads/Andium-Homes-Annual-Report-2018.pdf>

### Andium Homes Limited

For the year ended 31 December 2018

#### Statement of Comprehensive Income review

The actual versus budget results are set out below.

	Actual	Budget*	Difference
	£'000	£'000	£'000
Rental income	48,374	48,357	17
Other income	2,851	2,670	181
Maintenance	(10,607)	(11,546)	939
Maintenance costs capitalised	4,233	4,774	(541)
Staff costs	(3,626)	(3,778)	152
Other expenses	(3,804)	(4,215)	411
<b>Operating surplus before the return to the Guarantor, depreciation and impairment</b>	<b>37,421</b>	<b>36,262</b>	<b>1,159</b>
Return to the Guarantor	(28,739)	(28,919)	180
<b>Operating surplus before depreciation and impairment</b>	<b>8,682</b>	<b>7,343</b>	<b>1,339</b>
<b>Other:</b>			
Interest receivable and investment income	174	45	129
Interest payable and similar charges	(3,902)	(3,354)	(548)
Depreciation and impairment	(17,304)	(19,496)	2,192

\*Budget approved by the Board of Directors for the year, which differs from the financial projections indicated in the 2017-2021 Strategic Business Plan.

#### Rental income

As noted earlier in this Financial Review, the annual rent increase was deferred from 1 October 2018 to 1 January 2019, resulting in us foregoing the impact of the rent increase in the final quarter of 2018. The rent increase would have generated additional rent of £0.4m in 2018 if it had been applied. This shortfall was offset by additional rental income achieved through minimising the period a property is empty between tenancies.

#### Other income

Other income has exceeded that budgeted predominantly due to additional parking and commercial rental income on acquired sites, as well as vehicle release fees being higher than budgeted.

#### Maintenance expenditure

We understand the importance of living in a decent home and being a landlord that can be relied upon to maintain properties to a good standard and respond to repairs of an emergency nature.

Andium Homes Limited  
Registration No. 115713

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### Andium Homes Limited

For the year ended 31 December 2018

At 31 December 2018, 97% of our homes met the Decent Homes Standard. We are very proud to have seen this rise from just 73% when Andium Homes was incorporated in 2014. Bringing all homes up to this standard by 2020 and maintaining them at that standard thereafter will continue to be a priority for us.

#### Staff costs

Staff costs are 4% below budget as we continue to manage resource efficiently and effectively.

#### Other expenses

£2.4m of other expenses relates to property specific expenditure such as utility costs, rates and buildings insurance. £0.6m of other expenses relates to the management and acquisition of sites acquired for future development and expenses in relation to property sales. The remaining £0.8m is the cost of delivering the landlord services for our 4,500 homes, which equates to less than 2% of our rental income.

#### Return to the Guarantor

We delivered a financial return to the States of Jersey in 2018 amounting to £28.7m. This amount is payable to the States of Jersey, with an inflationary increase, each year. Our tenants received circa £17 million in Income Support housing component in 2018, but this was more than covered by the Annual Return.

It was agreed during 2018, that the basis of the increase to the return be amended in conjunction with the change to the States of Jersey rent policy described earlier in this Financial Review. The financial return to the States of Jersey will, commencing in January 2019, be increased by Jersey RPI, with a minimum and maximum increase of 1.75% and 3.25% respectively.

#### Interest receivable and investment income

Interest income is higher than budgeted due to short term cash investments providing more return than originally forecast.

#### Interest payable and similar charges

Interest charges represent interest costs on loans for completed capital projects. Interest charges also includes interest on a loan taken out to fund enabling works across a number of sites, which was originally expected to be capitalised but has been expensed, hence the increase in charge compared to budget.

#### Depreciation and impairments

Depreciation and impairments are lower than budgeted due to less property impairments being incurred than expected.

#### Statement of Financial Position

We present a strong asset position with overall net assets of £822.8m.

#### Property assets

Our 4,500 social rented homes represent the majority of our assets, amounting to £911.7m. We have invested £10.6m in the maintenance of these homes in 2018 and £4.2m on major refurbishment projects to bring the entire stock up to 97% of the Decent Homes Standard.

We are undergoing a major capital programme to deliver 2,000 new homes by 2025 and a further 200 a year to 2030. We invested £39.0m in capital projects in 2018 and are currently on site for the delivery of 595 new homes for projects totalling £167.9m. We are also progressing a number of sites through the design and planning process which are set to deliver a further 574 homes which will see further investment totalling £169.8m.

Andium Homes Limited  
Registration No. 115713

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## 7. Governance

The best reports include:

**a) A directors' (or equivalent) report** encompassing:

- the names of the chairman and chief executive;
- the composition of the management board having authority or responsibility for directing or controlling the major activities of the entity during the year;
- details of entity directorships and other significant interests held by members of the management board which may conflict with their management responsibilities; and
- information on personal data related incidents where these have been formally reported to the Data Protection Authority.

**b) A statement of responsibilities** encompassing:

- an explanation of the responsibilities of the chief Executive or equivalent;
- a statement to confirm that, as far as he or she is aware, there is no relevant audit information of which the entity's auditors are unaware, and the Accounting Officer/directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the entity's auditors are aware of that information; and
- a statement from the Accounting Officer/directors to confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and that he or she takes personal responsibility for the Annual Report and Accounts and the judgments required for determining that it is fair, balanced and understandable.

**c) A governance report** encompassing:

- a clear narrative statement explaining the governance framework of the organisation, including information about the board's committee structure, its attendance records, and the coverage of its work;
- transparent information about how the board works effectively to govern the organisation including information about the quality of the data used by the board, and why the board finds it acceptable;
- a frank and honest assessment of discussions and decisions made;
- an assessment of the effectiveness of the board's performance;
- highlights of board committee reports; and
- a risk assessment, including the organisation's risk profile, and how it is managed.

**d) A remuneration and staff report** encompassing:

- the policy on the remuneration of directors for the current and future years;
- each component and the overall single total remuneration figure for each director;
- the median remuneration of the reporting entity's staff;
- the range of staff remuneration;
- the ratio between the median staff remuneration and the mid-point of the banded remuneration of the highest paid director and an explanation for any significant changes in the ratio between the current and prior year;
- the number of senior staff (or equivalent) by band;
- staff numbers and costs;
- staff composition;
- sickness absence data;
- staff policies applied during the financial year in respect of disabled persons;
- other relevant employee matters such as: other diversity issues; employment issues including employee consultation and/or participation; health and safety at work; trade union relationships; and human capital management;
- expenditure on consultancy;
- summary data on the use of off-payroll arrangements; and
- summary data on the use of exit packages agreed in year.



## a. Directors' or equivalent report

The States of Jersey 2019 Annual Report includes all of the best practice elements. In particular, clear and accessible information was reported in respect of data breaches.

<https://www.gov.je/Government/Pages/StatesReports.aspx?ReportID=5234>

### 2.3 Political Accountability Report

## Other Accountability Disclosures

### Personal Data Related Incidents

The following table sets out details of personal data related incidents during 2019. An incident is defined as a loss, unauthorised disclosure or insecure disposal of personal data. Protected personal data is information that links an identifiable living person with information about them which, if released, would put the individual at risk of harm or distress. The definition includes sources of information that, because of the nature of the individuals or the nature, source or extent of the information, is treated as protected personal data by the States.

No protected personal data related incidents were reported to the Office of the Information Commissioner in 2019.

The incidents below include instances where there was an opportunity for the loss, unauthorised disclosure or insecure disposal identified with unconfirmed data access. There were 79 incidents reported in 2019.

Category	Nature of Incident	2019	2018
1	Loss of inadequately protected electronic equipment, devices or paper documents from secured Government premises	-	-
2	Loss of inadequately protected electronic equipment, devices or paper documents from outside secured Government premises	-	1
3	Insecure disposal of inadequately protected paper documents	-	2
4	Unauthorised disclosure	77	73
5	Other	2	26

## b. Statement of responsibilities

### Directors' Statement

# Directors' Statement



#### Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The Companies (Jersey) Law 1991 requires the Directors to prepare financial statements for each financial period in accordance with generally accepted accounting principles. The financial statements of the Company are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors should:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Specify which generally accepted accounting principles have been adopted in their preparation;
- Notify its Shareholders of the use of disclosure exemptions, if any, used in the preparation of the financial statements; and
- Prepare the financial statements on the going concern basis of accounting unless it is inappropriate to presume that the Company will continue in business

The Directors are responsible for keeping accounting records which are sufficient to show and explain its transactions and are such as to disclose with reasonable accuracy at any time

the financial position of the Company and enable them to ensure that the financial statements prepared by the Company comply with the requirements of the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### Responsibility statement of the directors in respect of the annual report

We confirm that, having taken into account all of the matters considered by the Board brought to its attention during the year and to the best of our knowledge, the financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

#### Review of risk management and internal control systems

We confirm that we have carried out a review of the Company's risk management and internal control systems. We are satisfied that the systems are aligned with our strategic objectives and these systems are being developed, applied and maintained appropriately. We are satisfied that the Company has effective processes in place to monitor and review material financial, operational and compliance controls.

An example of a 2018 Annual Report that contained a directors' statement confirming that the report is fair, balanced and understandable was Jersey Water's report.

<https://www.jerseywater.ie/wp-content/uploads/2019/12/JW-Annual-Report-2019.pdf>

## c. Governance report

One example of a 2019 governance report that sets out clearly the organisation's compliance with the UK corporate governance code is Jersey Electricity.

<https://www.jec.co.uk/media/574771/je2019raweb.pdf>

# GOVERNANCE

## Corporate Governance

### Corporate Governance

The Directors are committed to maintaining a high standard of Corporate Governance in accordance with The UK Corporate Governance Code April 2016 ("the Code"), as incorporated within The Listing Rules, issued by the Financial Conduct Authority. The Listing Rules require the Company to set out how it has applied the main principles of the Code and to explain any instances of non-compliance. In accordance with Listing Rule ("LR") 9.8.4 R, the agreement related to 'Independent business' required by LR 9.2.2A (2) (a) R has been entered into with the Government of Jersey, the controlling shareholder, with effect from 17 November 2014. The company has complied with the independence provisions included in the agreement during this financial year and believes the controlling shareholder is also compliant. The other applicable information required by LR 9.8.4 R (5)/(6) is disclosed in external appointments.

The Directors are currently reviewing the latest UK Corporate Governance Code issued in July 2018, together with the supporting Guidance on Board Effectiveness. The new code applied to accounting periods beginning on or after 1 January 2019 and will therefore be applicable in our next financial year and we are reviewing the changes against our existing governance arrangements to ensure that we meet the expectations of the new Code.

### Statement of Compliance

The Board considers that the Company is a "smaller company" for the purposes of the Code as it is not a member of the FTSE 350. Throughout the financial year ended 30 September 2019 the Board considers that it has complied with the Code, with the following exceptions: The Main Principle B.7 states that all directors should be submitted for re-election at regular intervals, subject to satisfactory performance. Executive Directors are not subject to retirement by rotation but they are subject to the same periods of notice of termination of employment as other members of the Company's senior management. This is deemed appropriate by the Board because it is felt that our largest shareholders have sufficient powers to remove Executive Directors if they saw fit.

### The Board

The Board provides effective leadership and currently comprises six non-Executive and two Executive Directors. They are collectively responsible for the long-term success of the Company and bring together a balance of skills, experience, independence and knowledge. The Chairman and the Chief Executive roles are divided with the former being appointed by the Directors from amongst their number. Aaron Le Cornu is the Senior Independent Director.

### Independence

The non-Executive Directors serving at the balance sheet date were Wendy Dorman, Aaron Le Cornu, Alan Bryce, Phil Austin, Tony Taylor and Peter Simon and they were all considered independent. Geoffrey Grime retired from the Board in February but the Board determined he remained independent, up until his departure, notwithstanding that he had served on the Board for more than fifteen years. In making this determination, the Board took into account his breadth of experience, his financial independence and his other business interests. In addition, he had also served less than nine years on the Board prior to his appointment as Chairman. On appointment to the Board the required time commitment is established and any significant changes to time commitments are notified to the Board. An induction process is in place for all newly appointed Directors. The Board is responsible to the Company's shareholders for the proper management of the Company. It meets regularly to set and monitor strategy, review trading performance, perform a robust assessment of the principal risks that could threaten the business model, future performance, solvency or liquidity (see Principal Risks section on pages 40 and 41), examine business plans and capital and revenue budgets, formulate policy on key issues and review the reporting to shareholders. Board papers are circulated, with reasonable notice, prior to each meeting in order to facilitate informed discussion of the matters at hand. Members of the Board hold meetings with major shareholders to develop an understanding of the views they have about the Company.

## » Governance

### Constitution

We are a statutory body established under Article 2 of the Financial Services Commission (Jersey) Law 1998 (FSC(J)L) which provides that the JFSC shall be governed by a Board of Commissioners comprising persons with financial services experience, regular users of such services and persons representing the public interest.

### Accountability arrangements

We are an independent body, accountable to the public through the Island's elected representatives namely the Minister of External Relations and the Government of Jersey. Our relationship with ministers is set out in a Memorandum of Understanding to ensure our independence, whilst facilitating effective dialogue and working practices. Article 12 of the Commission Law provides that the Minister may give the JFSC general directions, subject to significant safeguards.

In 2017, an Article 12 Direction was issued in order for the Exchange of Information on Beneficial Ownership (BO) agreement with the UK to be implemented to allow the Island's Joint Financial Crimes Unit (JFCU) to access our relevant information and databases on beneficial ownership. The intention is that the Direction will be withdrawn once appropriate substitute legislation has been enacted.

We produce an annual business plan, and separately an annual report, to inform Members of the States Assembly and other stakeholders. We consult extensively on all proposals to create or amend laws and regulations, and we provide feedback statements to explain how we have taken responses into account.

### Governance arrangements

Our Board of Commissioners believes that high quality effective governance arrangements are essential for well-run organisations. There are no comprehensive Codes or Standards for the governance of a financial services regulator, but the Board believes that the UK Corporate Governance Code (Code) is an appropriate benchmark. The Code requires Boards to comply with its high-level principles or explain how the objectives behind those high-level principles have been met through other arrangements.

We comply with the vast majority of the high-level principles in the Code. For example, we ensure there is a clear division of responsibility between the Chair and the Director General, that no individual has unfettered decision-making powers and that we have transparent procedures for the appointment and re-appointment of Commissioners.

### Engagement with our workforce

The JFSC continues to observe the Corporate Governance Code issued by the UK and notes the changes regarding improving stakeholder engagement, including that of the workforce. We are considering ways in which we can incorporate these changes into our governance structure.

Several Commissioners spent time engaging with the JFSC workforce during 2019, including Commissioner O'Keefe who held a panel session regarding her experience of, and in, the finance industry.

### Delegation of powers

Our Board delegates its powers to the Director General and the Executive where possible to ensure that the JFSC can act and respond without undue delay. However, in some areas, the power of the Commissioners to delegate is restricted by legislation. For example, our Board acts in a similar manner to a tribunal for contested enforcement cases. Consequently our Board is more involved in some areas of detail than the Board of a listed or private company. You can find a full explanation about our 'Delegation of Powers' on our website.

### Composition of the Board and appointment of Commissioners

Our Board currently consists of the Chair, Deputy Chair and eight other Commissioners, including the Director General. All of the Commissioners are considered to be independent with the exception of the Director General. A chart of our current Commissioners is set out on pages 90-91 of this annual report and you can find further information on their skills, knowledge and experience on our website.



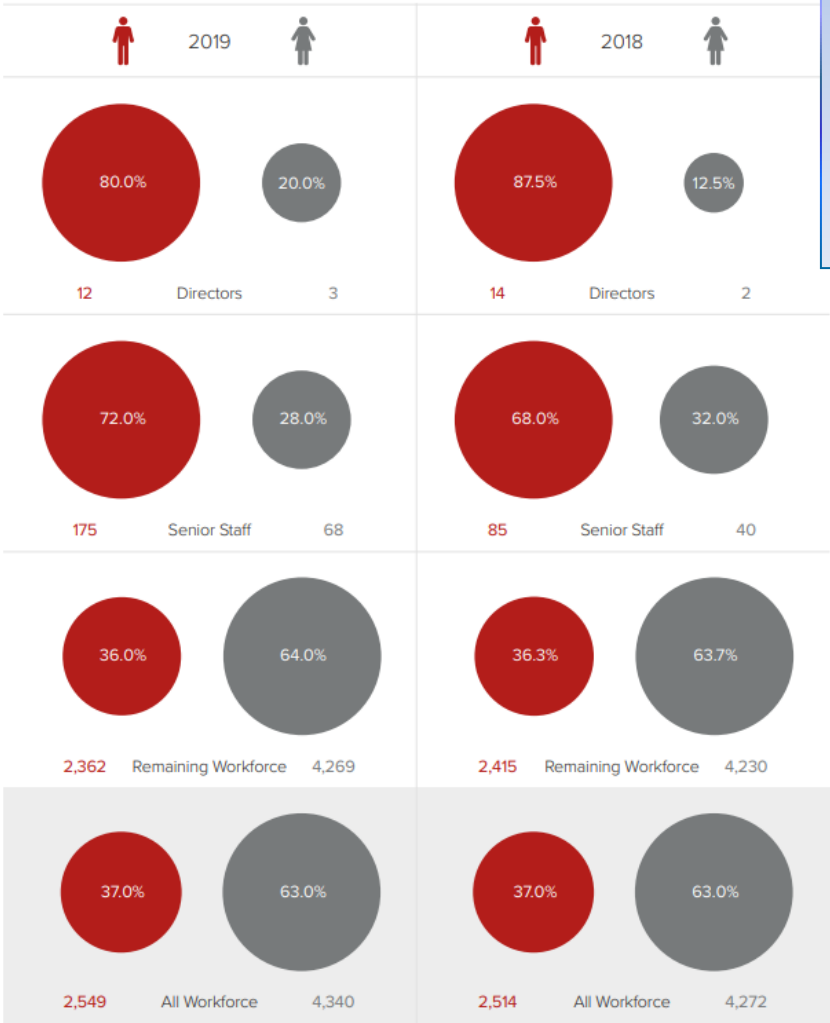
The Financial Services Commission 2019 governance report sets out clearly how the organisation is governed and its accountability arrangements.

<https://www.jerseyfsc.org/publications/annual-reports/annual-report-2019/>



d. Remuneration and staff report

Gender Diversity of the States of Jersey (based on headcount\*)



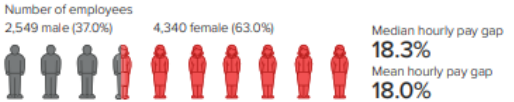
The States of Jersey 2019 Annual Report contains the most complete and comprehensive remuneration and staff report.

<https://www.gov.je/Government/Pages/StatesReports.aspx?ReportID=5234>

2.2 Remuneration and Staff Report

Equal opportunities, diversity and inclusion

We aim to be a good and fair employer with a diverse and inclusive workforce, which reflects the people to whom we provide services. The SEB published a gender pay report\* for States of Jersey employees in 2019, identifying a pay gap of 18.3% (2018: 26%). The report identified an action plan to improve gender equality and a commitment to reduce the pay gap. The annual publication of gender pay gap figures will allow progress to be monitored.



\*The SEB report published mid year makes use of staff data taken as at June 2019 and is inclusive of Zero Hour GOU employees.

The 'Inspiring women into leadership and learning' (i WILL) initiative was established to increase the number women in senior leadership positions within the Government. More than 300 women and men have signed up to the group, which is sponsored by a female senior leader, benefiting from a series of network and learning opportunities.

We are committed to eliminating discrimination, harassment and victimisation. In 2019 we launched a new bullying and harassment policy and process, with the aim to prevent and address bullying and harassment in the workplace. All managers were required to attend training and we launched an independent third-party reporting line to allow employees to raise issues in a safe and confidential manner.

The Government adopts a flexible and equitable approach to the employment and retention of people who have, or develop, an individual employment need. Our diversity and inclusion policy promotes diversity in our job shortlists and in our interview panels. The Government of Jersey guarantee an interview for a candidate who has a recognised disability. We also provide agile working arrangements where possible to support the flexibility that employees need to manage their work/life balance. We offer support to those returning to work after an extended period of leave.

Leadership and employee development

A programme of support for senior leaders to grow their capability has continued throughout 2019. We secured external specialist support to conduct thorough developmental reviews of senior leaders' technical and leadership capabilities. This has enabled the leadership team to be better supported in their development and help with the period of change.

We hold a monthly Senior Leaders Group meeting (40 leaders in Tiers 1 and 2) and a quarterly Senior Managers Group meeting (around 200 leaders and managers in Tiers 1-3), where we discuss strategic issues and provide learning and development interventions to help these groups to grow as a cadre of public service leaders.



## OUR PEOPLE

Our People is one of the key pillars of our revised Vision: 'We aim to be an employer of choice', that is positively promoted within our community and attracts a highly engaged workforce. Only by recruiting, engaging and retaining the best can we deliver our Vision to 'enable life's essentials and inspire a zero carbon future'.

This means developing a customer-oriented, performance-driven, commercial culture and instilling 'one team', cross-departmental working practices. To achieve this and progress our cultural change programme which we began last year, we continue to invest in our 'people agenda' and we are putting in place tools and technologies to enable new, more effective and collaborative ways of working.

During the year we held an important employee conference in June to highlight where we have come in our 95-year history in business and where we hope our Vision will take us. Entitled, 'Power Up', every employee attended in one of two half-day sessions. Armed with iPads, employees were able to pose questions to the Executive Leadership Team (ELT) anonymously and vote for those they most wanted answered. Feedback was positive, with requests for the event to be held more frequently. Importantly, prior to the conference itself, we held several workshops to gather feedback from a broad range of colleagues on our revised Vision, how best to present it at conference to gain maximum understanding and allow discussion of changes needed for us to succeed.

Over 150 employees have now attended the Living Leader programme aimed at helping employees develop personal leadership skills that we would like to see widespread across the organisation. We have also conducted department specific training on providing energy advice to customers and consultative selling techniques. Following last year's employee engagement survey results, other initiatives aimed at improving employee engagement included training on conversations about reward and compensation, our first Wellness Week, Total Reward Statements and the refurbishment of break facilities at the Powerhouse and La Collette sites.

To measure the effect of these actions, we conducted a second employee engagement survey in August. The results were encouraging, with 85% of the workforce responding to show an overall increase in employee engagement from 7.6 to 7.8. Managers have now drawn up action lists to address areas still requiring improvement. These include:

- Further review of reward practices and how compensation is communicated to employees
- A review of wellbeing facilities for employees
- Initiatives to improve internal communication frameworks and team briefings

A key driver of engagement evident in both surveys is employee wellbeing in which we are also investing. A Wellbeing Working Group has established a calendar of events following the success of a pilot Wellness Week, which included sessions on mental health awareness, lower back pain, resilience, nutrition and fitness, and financial wellbeing. A half-day Mental Health Awareness course has been rolled out and three employees trained as Mental Health First Aiders, with a further four employees selected to complete the training in the near future.

We have improved the recruitment process for internal and external applicants via an application called Pinpoint, which we hope will become one of the main 'routes to market' for recruitment and careers campaigns. The introduction of Textio analyses how appealing the tone of the language we use in policies, HR documents and recruitment advertising is to a diverse audience.

Five employees completed the INSEAD Gender Diversity course to help promote diversity in the workplace and establish inclusive people practices to attract a richer pool of talent. We are now building out a Diversity plan to complement activities aimed at making us an employer of choice.

**4 AWARDS  
FOR 40  
YEARS OF  
SERVICE**

**10 AWARDS  
FOR 21+  
YEARS OF  
SERVICE**

**14.5  
YEARS**  
AVERAGE LENGTH OF SERVICE

**45  
YEARS**  
AVERAGE EMPLOYEE AGE



The Jersey Electricity 2019 Annual Report contained transparent reporting of the results of their staff survey and actions for improvement.

<https://www.jec.co.uk/media/574771/jec2019raweb.pdf>

## 8. Accountable

The best reports:

- 'tell the story' of the organisation in a fair and balanced way;
- demonstrate compliance with relevant reporting requirements;
- describe clear action points to take forward; and
- incorporate non-financial reporting, such as climate change targets.

The 2019 Annual Report of Jersey Water contains clear reporting against the strategic objectives of the organisation.

<https://www.jerseywater.je/wp-content/uploads/2019/12/JW-Annual-Report-2019.pdf>



### High Quality Water

We have a statutory duty to supply water meeting strict quality criteria in sufficient quantity to meet reasonable demand. We manage water quality risks from catchment to tap to ensure we meet or exceed quality requirements. We plan water resources in the short and long-term to meet day-to-day demand and address the long-term impact of population and climate change.

**Strategic Objectives:**

Safe, high quality drinking water	Sufficient water resources to meet demand
<b>Outcomes for the period:</b> <ul style="list-style-type: none"><li>• 99.97% water quality compliance (31 December 2018: 99.99%)</li><li>• Zero nitrate or pesticide failures in treated water (31 December 2018: zero)</li><li>• 99.99% bacteriological compliance at treatment works (31 December 2018: 99.99%)</li><li>• Catchment initiatives undertaken with the Action for Cleaner Water Group</li><li>• Determination of the planning application on Val de la Mare bypass</li></ul>	<ul style="list-style-type: none"><li>• Phase 1 of Water Resources Management Plan completed. Water supply/demand shortfall identified, work on Phase 2 underway</li><li>• Island Plan submission regarding water resources</li><li>• Leakage reduced by 3.6% on 31 December 2018</li><li>• Modifications to desalination plant completed and membranes replaced</li><li>• Desalination plant produced 65Ml to supplement resources and test modifications to desalination plant</li></ul>

**Key Initiatives for 2020:**

<ul style="list-style-type: none"><li>• Commissioning of a field scale catchment pollution risk model in conjunction with the Action for Cleaner Water Group</li><li>• Upgrade of carbon dosing plant at Hardeis Water Treatment Works</li><li>• Implementation of Laboratory Information Management System</li><li>• Ongoing enhancement of water quality governance and drinking water safety plans</li></ul>	<ul style="list-style-type: none"><li>• Completion of Phase 2 of Water Resources Management Plan to identify measures to address the supply/demand shortfall</li><li>• Renewal of the Motor Control Centre at Grands Vaux Pumping Station and installation of standby power generation</li></ul>
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## 9. Transparent

The best reports:

- include frank and honest analysis;
- do not avoid the challenges an organisation is facing;
- make appropriate use of data;
- quantify risks and performance measures; and
- demonstrate an understanding of the organisation's activities on the wider society.

The 2019 Annual Report of Jersey Telecom contained a frank and honest analysis of the going concern position of the company.

<https://www.jtglobal.com/global/about-us/>

4

## Directors' report

The directors present their report and audited financial statements for the year ended 31 December 2019.

### Incorporation

JT Group Limited (the "company") was incorporated in Jersey, Channel Islands on 22 October 2002.

### Principal activities

The principal activity of the company and its subsidiaries (the "group") is the supply of telecommunications services and equipment.

The principal place of the company's business is Jersey, Channel Islands.

### Results

The results are set out on pages 6 to 10.

Revenue has reduced to £206.0m (2018: £250.5m) mainly due to a fall in low margin off-island wholesale voice revenues by £51.7m, partly offset by an increase in revenue from the higher margin growth business lines within our International business, leading to an increase in gross profit of £2.4m to £96.9m (2018: £94.5m).

The group made an operating profit of £4.9m (2018: £7.4m). An impairment charge of £2.6m was recognised against one of the Group's non-core investments affected by the difficult UK retail sector performance and uncertainties surrounding Brexit, exacerbated by COVID-19 since March 2020. The group's profit on ordinary activities after taxation was £0.8m (2018: £2.2m) and net assets were £85.4m (2018: £90.1m).

The 2018 final and 2019 interim ordinary dividends of £4.8m were paid during 2019 (2018: £4.8m). Further details on dividends are included in note 9.

The directors have approved the payment of a final ordinary dividend for 2019 of £2.2m (2018: £2.5m).

### Going concern

The group's business activities, together with the factors likely to affect its future development, financial position, financial risk management objectives, details of financial instruments and derivative activities, and exposures to price, credit, liquidity and cash flow risk are described in the notes to these consolidated financial statements.

The Covid-19 outbreak was declared a pandemic on 11th March 2020. Events have since moved rapidly and management has set up working groups at different levels of the organisation to monitor, plan and respond pro-actively to the continuously changing situation.

The Government of Jersey issued a Stay at Home policy for the whole island population from 30th March for an initial duration of four weeks. Telecoms has been identified as an essential utilities service and, as such, JT's priority is to ensure continuity of service to the community with a particular focus on vulnerable customers.

JT has secured permission for a limited number of employees to continue working at its premises. The vast majority of JT employees now work from home, making effective use of the remote access capabilities of the infrastructure. JT's HR department has been monitoring well-being and flexible working arrangements are in place. The frequency of remote management meetings at all levels has increased and our CEO has organised regular interactive sessions with all employees.

Daily network statistics show that, despite a significant increase in traffic, our network has been remarkably stable with no reportable incidents and usage well within capacity. Engineers have been granted the authorisation to carry out critical work when and where required and have been provided with appropriate personal protective equipment.

Customers have remained at the centre of management's focus. The call centre has remained fully operational and has been busy responding to all customers' queries. The CEO has also issued communications to the local community which have been well-received. JT has committed not to charge overages and has suspended late payment charges.

Supply chains, although not an immediate concern for broadband and telephony services, have been re-assessed in view of current shortages and delays. Critical suppliers have been risk assessed and alternate options identified.

Management has assessed the group's financial stability and liquidity over the next 18 months and modelled a stressed scenario. The group can rely on a strong recurring revenue stream but expects a sharp reduction in transactional revenue. Inbound and outbound roaming is already decreasing, supply chain delays will impact equipment sales and engineer on-site limitations will hit enterprise revenue. Each key revenue segment has been assessed for potential cash flow deferral and bad debt related risk. Business units have provided their own risk assessment and management has applied an additional risk premium as part of the stress testing scenario. JT has also committed to paying its suppliers on a timely basis and has applied shorter payment terms to local small suppliers.

The current crisis is assumed to last for 6 months with a recovery period extending to most of 2021. Management is taking immediate action on discretionary expenditure and assuming planned reductions in capital expenditure to offset, in part, these effects.

## Directors' report (continued)

### Going concern (continued)

The cash position will be continuously monitored. Management has already secured £20m additional funding through the accordion clause within its existing Revolving Credit Facility ("RCF"), which will be effective May 2020. The outcome of the stressed scenario shows a peak utilisation of the RCF around March 2021 with some limited headroom remaining.

Extra steps to provide additional headroom, not yet factored into the model, include further reducing planned capital expenditure, which is mostly uncommitted, deferring dividend and tax payments, and making further cuts to operating costs.

In view of the prudent approach taken and the resulting available headroom, management continues to adopt the going concern basis in preparing the annual report and the consolidated financial statements.

### Directors

The executive and non-executive directors of the group who served during the year and subsequently are:

**Non-executive**  
Phil Male  
Sean Collins  
Meriel Lenfestey  
Joe Moynihan

**Executive**  
Graeme Millar  
John Kent

### Changes in directors and membership of the Board Committees

The directors of the company for the financial year ended 31 December 2019 are detailed in the above section titled "Directors". There were no changes made to the Directors and Board Committees of the company during the financial year ended 31 December 2019.

### Directors' interests

The directors of the group had no interests, beneficial or otherwise, in the shares of the group.

### Insurance of directors and officers

The group maintains an insurance policy on behalf of all directors and officers of the group against liability arising from neglect, breach of duty and breach of trust in relation to their activities as directors and officers of the group.

### Independent auditor

KPMG LLP have indicated their willingness to continue in office as auditor.

By order of the board

*Graeme D. Millar*

G Millar  
Director

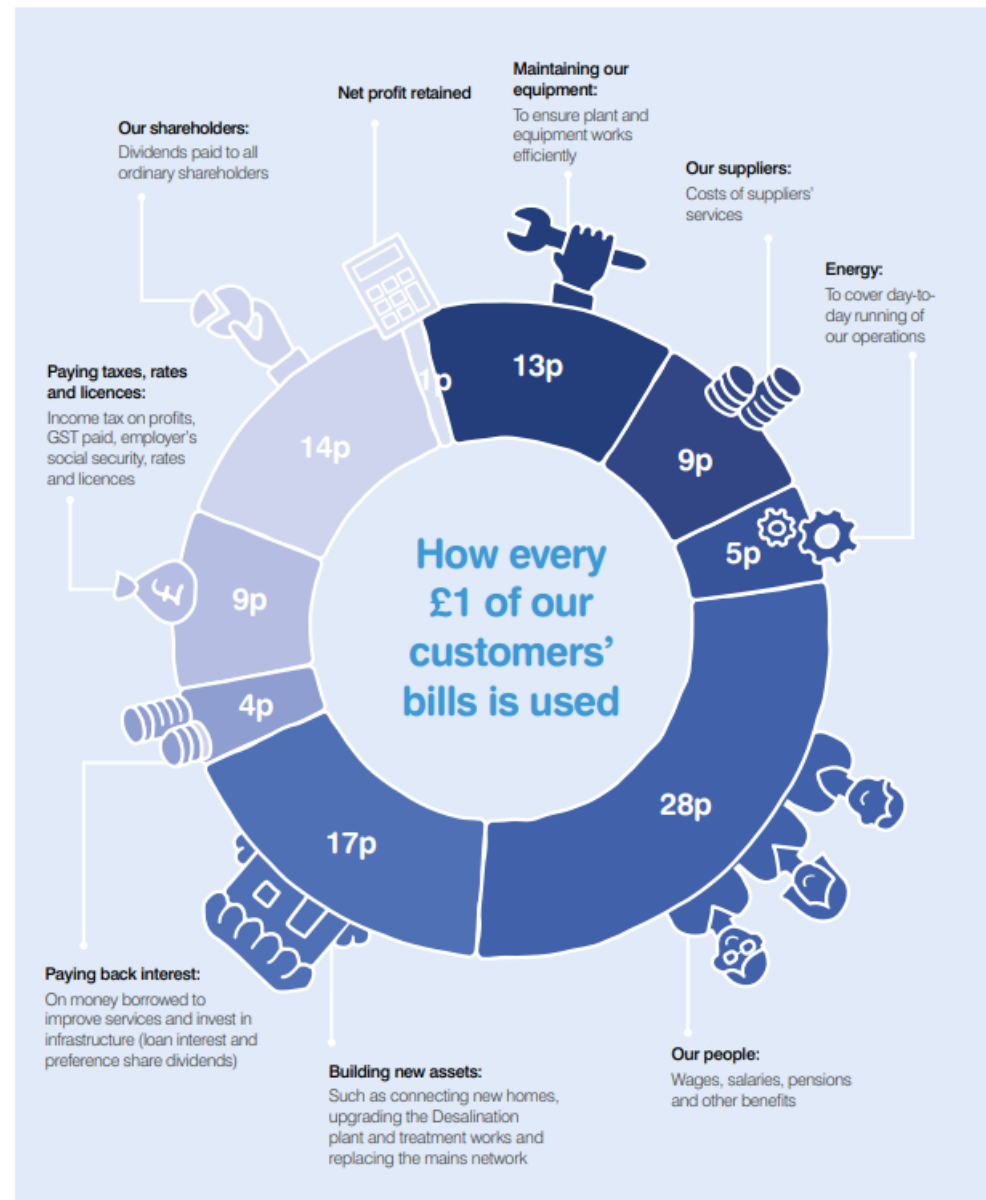
5



## 10. Accessible

The best reports:

- fully integrate key financial statement trends within the narrative;
- include concise summaries of key points;
- consider how the organisation engages with key stakeholders and meets their needs; and
- explore different ways that an organisation can engage and influence their stakeholders.



The 2019 Annual Report of Jersey Water displays financial data in an easily accessible way.

<https://www.jerseywater.ie/wp-content/uploads/2019/12/JW-Annual-Report-2019.pdf>

# 2019 - Q4

## Quality of Service Report

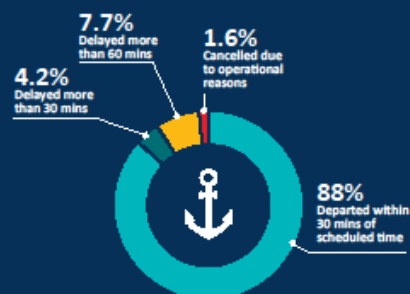
### Punctuality of sailings

Within scheduled time



OVER 88% OF SAILINGS ARRIVED OR DEPARTED WITHIN 30 MINS OF SCHEDULED TIME

Percentage based on sailings that took place



### Jersey as a destination airport

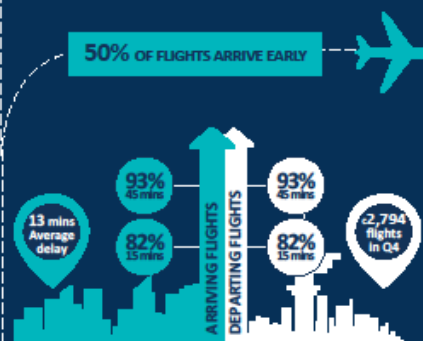
Jersey is classed as a 'destination airport' - i.e. no airlines are based here meaning flights do not originate from the Island. This means if a flight schedule is affected prior to arriving in the Island it will impact on the flight schedule time and could cause a delay on the Jersey departure.

When an aircraft lands in Jersey, the airline and its ground handling agent, supported by Ports of Jersey, work hard to turn the flight around as quickly as possible.

### Time for passengers to clear security



50% OF FLIGHTS ARRIVE EARLY



### Flight punctuality to & from Jersey Airport

Proportion of flights within scheduled time  
Excluding flights affected by weather



The 2019 Annual Report of the Ports of Jersey contained a variety of well-presented information relevant to a broad range of stakeholders.

[https://e.issuu.com/embed.html?d=annual\\_report\\_2019&u=advert-int](https://e.issuu.com/embed.html?d=annual_report_2019&u=advert-int)

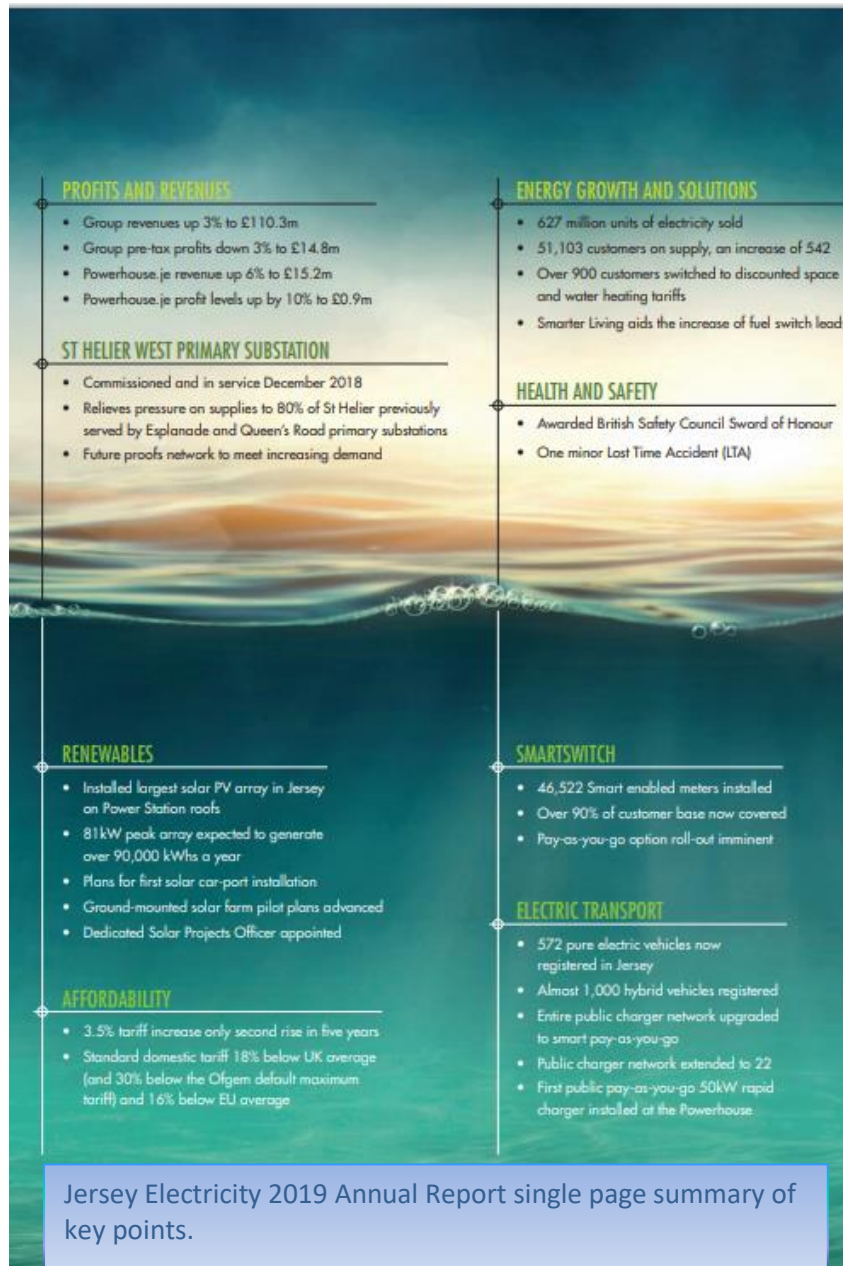


## 11. Understandable

The best reports:

- use plain English to explain difficult concepts;
- use infographics and diagrams to communicate important messages; and
- have a clearly integrated structure to help users navigate effectively.

A number of reports included effective use of infographics.



Jersey Electricity 2019 Annual Report single page summary of key points.

<https://www.jec.co.uk/media/574771/je2019raweb.pdf>

States of Jersey 2019 Annual Report summary reporting of key financial information.

<https://www.gov.je/Government/Pages/StatesReports.aspx?ReportID=5234>

### Capital Expenditure

A total of £162.1 million - equivalent to 4.2% of the total value of property, plant and equipment - was spent on capital projects across the States of Jersey Group, comprising:

£162.1m	<b>£68.9m</b> by Departments including:	<b>£7.6 million</b> on Les Quennevais School <b>£14.2 million</b> on the sewage treatment works <b>£7.8 million</b> on roads, drainage and sea defence infrastructure projects	
	<b>£4.6m</b> by Trading Operations including:	<b>£0.8 million</b> on vehicle and plant replacement across the organisation <b>£3.8 million</b> on car park replacement and refurbishment	
	<b>£59.8m</b> by Andium Homes including:	Included work on Samares Nurseries site Le Squez phase 4, Ann Court and Hue Court All of these sites will be developed to provide affordable homes	
	<b>£7.3m</b> by Ports of Jersey including:	<b>£1.9 million</b> on the integrated terminal project <b>£1.8 million</b> on the Shipyard Restaurant <b>£0.8 million</b> on an airport taxiway	
	<b>£16.3m</b> by States of Jersey Development Company on:	<b>£13.9 million</b> on the Horizon residential development at the waterfront. This includes spend incurred by the joint venture company engaged to develop the site. <b>£2.4 million</b> on the College Gardens residential development at the old Jersey College for Girls site and Esplanade Quarter	
	<b>£5.2m</b> Funds	<b>£4.6 million</b> on Hospital Construction Fund	

## OUR COMMUNITY

## Community Engagement

Jersey has a vibrant and increasingly diverse society supported by a strong parish and support network.

Nevertheless, the States of Jersey Police recognise that for whatever reason some individuals on the island might not have the confidence, knowledge or even ability to contact us for support, advice or help when needed, to the same degree that the majority of people have.

Officers recognise that where this is the case we need to continue to work hard to earn that confidence. A number of internal working groups operate within the States of Jersey Police aimed at listening, learning and engaging better with these people so that our organisational knowledge and effective lines of communication continue to improve, and that confidence throughout the entire community continues to grow.

In 2018 a Community Advisory Group was established to develop stronger communication networks for each of the diverse communities. If you would like to learn more about the ongoing work in the communities, you can contact 61 2612 and ask to speak with a supervisory officer for the EDI group of your interest.

## Our Community &amp; Specialist Policing Priorities

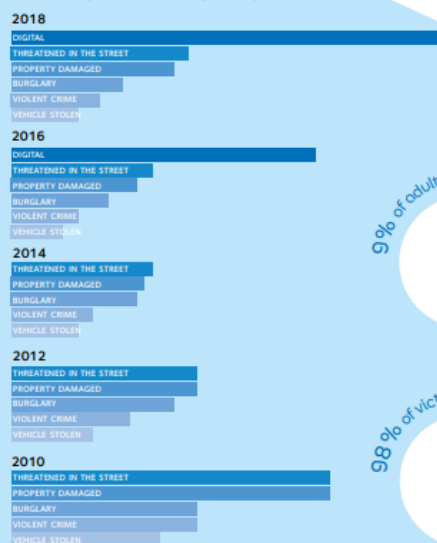
We will increase our focus on community problem solving and crime prevention. In parallel our specialists will focus on crime detection, victim support and bringing offenders to justice.

Our 4 Priorities:  
Our community Partnership Working Protect & Prevent Your Service

- We will increase our focus on community problem solving and crime prevention. In parallel our specialists will focus on crime detection, victim support and bringing offenders to justice.
- We will keep our communities safe, focusing on protecting children and vulnerable adults and robustly managing sex and violent offenders.
- We will collaborate to improve outcomes for our communities, as well as increasing the efficiency and effectiveness of our specialist capabilities.
- We will invest in our people, so they feel confident, skilled and empowered to make decisions, solve problems, deliver our policing objective.

Concern over Crime:  
Worrying about becoming  
a victim in the next 12 months

(Source: Jersey Opinions and Lifestyle Survey 2018)



9% of adults said they had been the victim of prejudice or abuse on the basis of either their race, age, disability, religion or sexual orientation.



98% of victims of discriminatory prejudice or abuse had not reported the incident to the Police.

## Tackling Hate Crime Together

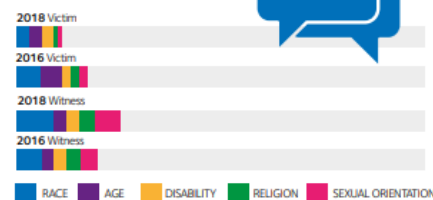
As well as supporting our diverse communities, SOJP also recognise that on occasion, specific groups within the community can become a target due to their cultural or behaviours and circumstances. Often, these acts can be reported as a Hate Crime.

## What is Hate Crime

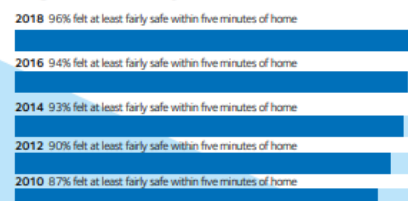
Hate crime comes in many different forms and can be on the grounds of race, religion, age, sexual orientation, transgender identity and disability, however we know that the overwhelming majority of victims are reluctant to report their experiences to the authorities and shortfalls in national data collection methods also mean that many such crimes remain unrecorded, leaving them unresolved and invisible.

The True Vision website [www.report-it.org.uk](http://www.report-it.org.uk) now has a Jersey page that islanders can use to report hate crime.

## Victim of Prejudice or Abuse



## Neighbourhood Safety



'no point'

2018 18% 2016 13%

Felt there was 'No Point Reporting Prejudice'

'not important'

2018 30% 2016 31%

Not considered prejudice crime important

## New Operating Model and Organisational Structure

In September, the Police approved their new operating model and organisational structure.

Greater focus on community policing model and problem solving – more Cops on duty at the right time – Cops with a problem solving mind-set, working with the community and partners to tackle issues quickly and effectively.



192 sexual offences recorded for 2018

Alison Fossey, Acting Superintendent

The Jersey Police Authority Annual Report tracks performance against priorities over time in an understandable way.

<https://jersey.police.uk/media/530630/jpa-annual-report-2018.pdf>

## OUR WORK

Last year, we published a 4-year plan, which is available [here](#).

Our plan set out our 3 main aims:

1. **DRIVING CHANGE** We will develop and embed a culture of children's and young people's rights.
2. **DOING IT THE RIGHT WAY** We will be strong, resilient and inspiring as we protect and promote children's and young people's rights.
3. **PROVING IT CAN BE DONE** We will make sure children's and young people's rights are at the centre of Jersey's laws, policies and practices.

In the summer of 2019, we completed another very important piece of work. The Commissioner for Young People and Children (Jersey) Law came into force, [click here](#). This law gives the Commissioner all of the powers and protections she needs to do her job in Jersey.

Writing the law and then seeing it through the various stages of political debate and Scrutiny was a task that took many months to complete, but the effort was worth it: the law we now have is recognised as one of the best in the world.

To get an idea of the standards that the law sets for us, and the different ways in which we have met those standards, check out our 'Law Mapping' exercise, [click here](#).

We are now working towards an even bigger legal goal: something that is officially known as 'incorporation', which means making children's rights a reality by writing them into law in Jersey, making them more accessible. We have been working with the Government of Jersey on incorporation - for both a simple summary and a more in-depth paper on the subject, see our submission to the recent Government consultation, [click here](#).



We work with more than **60** different organisations, ranging from government departments and regulators through to charities and youth services.



The law we now have is recognised as one of the best in the world.

## WHAT YOU TOLD US IN 2018



**89%** of children think it is important to understand their rights.

In 2018 just **9** schools had registered for the UNICEF Rights Respecting Schools Award.

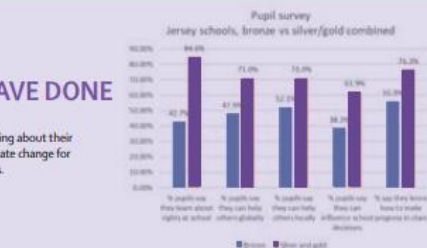


“ Make young people feel like their views are important and that we have our voices heard, not just in school but Jersey as a whole. We don't get enough information about our government and voting, and when we do it's often not presented in a way that interests us. It means that we may not have our opinion heard when decisions which affect us and our future are being discussed in the States. ”



Only **20%** of young people know what rights they have under the UNCR.

“ It's [school] a more positive place – we work together more, and teachers tell us the reasons why and link it back to rights. ”



## WHAT WE HAVE DONE

Data shows a change in pupils knowing about their rights and feeling empowered to create change for themselves and others.



We provided funding for all schools in Jersey to take part in the Rights Respecting Schools Award.



**37** schools are now taking part in the scheme. Data shows a change in pupils knowing about their rights and feeling empowered to create change for themselves and others.



**55** teachers have attended a total of seven separate training sessions.

LYNN PAMMENT

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