

**Board of Governance of the Comptroller and Auditor General**

**MEETING**

**held on 15 July 2021 at 09:30**

**by Video Conference**

**MINUTES**

<b>Present</b>	Grace Nesbitt	Chair
	Russel Griggs	Senior Independent Member
	Rob Tinlin	Independent Member
	Lynn Pamment	Comptroller and Auditor General
<b>In attendance</b>	Stephen Warren	Deputy Comptroller and Auditor General and Secretary to the Board of Governance

**21/17 Item 1: Declarations of interests**

Members of the Board confirmed that their declarations of interest were up to date and that they had no specific interests in the matters on the agenda.

**21/18 Item 2: Chairman's update**

The Chair reported that:

- she had held a productive meeting with Deputy Inna Gardiner, the Chair of the Public Accounts Committee. The Chair reported that Deputy Gardiner was keen to arrange a meeting between the Board and the full Public Accounts Committee;
- she would be retiring from the Northern Ireland Civil Service on 21 September 2021.

**21/19 Item 3: Minutes of the meeting held on 26 March 2021**

The Board received and agreed to adopt the minutes of the meeting of the Board as previously constituted held on 26 March 2021.

**21/20 Item 4: Risk register**

The Board received a report from the Deputy Comptroller and Auditor General and reviewed the Office's risk register, including those items identified by the Board as of particular relevance to its functions.

The Board noted the report and the contents of the risk register.

The Board agreed the entries in risk register in so far as they related to items of particular relevance to its functions.

**21/21 Item 5: Matters arising**

The Board received a report from the Deputy Comptroller and Auditor General detailing the actions agreed at its meetings of 6 October 2020 and 26 March 2021 and the steps subsequently taken.

The Board noted the report.

**21/22 Item 6: Comptroller and Auditor General's Report**

The Board received a report from the Comptroller and Auditor General covering:

- a) reports issued and planned. The Comptroller and Auditor General focussed on:
  - the report relating to the severance of the former Chief Executive, the associated media coverage and hearings by the Public Accounts Committee;
  - the revised work programme, reflecting additional pressures on the Office; and
  - the increased focus of officers in preparing responses to the Office's reports.
- b) the appointment and monitoring of financial statements auditors. The Comptroller and Auditor General highlighted:
  - the process being followed to appoint auditors of the financial statements of the Public Employees' Pension Fund and the Jersey Teachers' Superannuation Fund; and

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- the implementation of the Audit Quality Framework, including the proposed engagement of the Institute of Chartered Accountants in England and Wales to undertake reviews of the audit files of auditors appointed by the Comptroller and Auditor General.
- c) interaction with the States Assembly, including the Public Accounts Committee. The Comptroller and Auditor General reported on:
- attendance at the Public Accounts Committee and its sub-groups; and
  - a submission to a sub-group of the Privileges and Procedures Committee in connection with a review of the accountability of government to the public and the States Assembly.
- d) developments within the States of Jersey. The Comptroller and Auditor General highlighted in particular:
- the process for appointing a permanent Chief Executive;
  - the commencement of a project considering the response to the Comptroller and Auditor General's thinkpiece on Public Audit in Jersey; and
  - the Covid-19 situation in Jersey and the Government's response.
- e) developments within the Jersey Audit Office. The Comptroller and Auditor General highlighted in particular:
- arrangements for travel to Jersey in the context of Covid-19;
  - the proposed publication of a chapter of the Public Finances Manual specifically relating to the Office;
  - discussions with other regulators on opportunities for collaboration; and
  - consideration of options for office accommodation for the Office. The Comptroller and Auditor General said that she intended to consult the Board on an options appraisal and business case.
- f) data losses. The Comptroller and Auditor General confirmed that there were no data losses to report to the Board.

The Board noted the report.

### **21/23 Item 7: External communications**

The Board received a report from the Comptroller and Auditor General. The Comptroller and Auditor General highlighted in

particular increased use of the Office's website and increased traffic to the website from the Office's social media sites.

The Board noted the report.

**21/24 Item 8: Finance update**

The Board received a report from the Deputy Comptroller and Auditor General detailing:

- the financial performance of the Office to 30 June 2021; and
- the submission of estimates for inclusion in the Government Plan 2022 to 2025.

The Board noted the report.

**21/25 Item 9: Schedule of potential changes in legislation and advice sought from H M Attorney General**

The Board received and noted a report without debate.

**21/26 Item 10: Gifts and hospitality register**

The Board received and noted a report without debate.

**21/27 Item 11: Forward look**

The Board received a draft forward work programme from the Deputy Comptroller and Auditor General.

The Board noted:

- the need to engage with interested parties to ensure that the process for the appointment of Board members at the end of the terms of office of the existing members would be commenced in good time; and
- the Board's own interest in potential changes to public law legislation.

**The Board agreed the draft forward work programme subject to addition of:**

- **appropriate actions in Part B covering early consultation with interested parties relating to the appointment of Board members at the end of the terms of office of existing members; and**

- **inclusion of an item for the Board's own consideration of potential changes to public audit law.**

**The Board agreed that, following its consideration of potential changes to public audit law, the Chair should seek a meeting with the Director General, Strategic Policy, Planning and Performance.**

**21/28 Item 12: Dates of future meetings**

The Board received a report from the Deputy Comptroller and Auditor General.

**The Board agreed:**

- **that the Deputy Comptroller and Auditor General would consult with Board members to agree a date in October 2021 for a physical meeting in the United Kingdom;**
- **in principle to hold a physical meeting in Jersey in Spring 2022, including meetings with the Public Accounts Committee and key stakeholders; and**
- **to keep its plans under review in light of Covid-19 restrictions in Jersey and the United Kingdom.**

**21/29 Item 13: Review of operation of the Board of Governance - action plan implementation**

The Board received a report from the Deputy Comptroller and Auditor General highlighting those recommendations made in the independent review of the operation of the Board consideration of which had been deferred. The Chair explained that the paper was designed to facilitate an initial discussion prior to a detailed discussion at the Board's October 2021 meeting.

**The Board agreed:**

- **that Board members would complete the NAO questionnaire on Board effectiveness in advance of the Board's October 2021 meeting and consider the results at the meeting;**
- **that the Comptroller and Auditor General should hold brief catch-up conference calls with Board members between scheduled Board meetings;**
- **that the Deputy Comptroller and Auditor General should seek to obtain information about the level of interest for**

**the Board positions from Jersey applicants and the reasons for any applicants not being long-listed or short-listed;**

- **in principle to support legislative changes that would expand the maximum number of Board members by one and allow appointment of Board members for different terms to manage Board succession more effectively; and**
- **to explore options for wider community engagement to inform the work of the Board.**

**The Comptroller and Auditor General agreed to obtain further information about Board apprenticeship programmes in which the Government of Jersey participated.**

**Professor Griggs agreed to discuss options for securing interest in serving on the Board with a contact working in the Channel Islands financial services industry.**

*The meeting closed at 11:35.*