

Wednesday 24 November 2021

# The Government moved quickly to develop and implement a suite of schemes to support the business sector during the COVID-19 pandemic

Comptroller and Auditor General issues two reports:  
Government support to businesses during the COVID-19 pandemic –  
Co-Funded Payroll Scheme and Government support to businesses  
during the COVID-19 pandemic – Other Schemes

Comptroller and Auditor General (C&AG), Lynn Pamment, has today 24 November 2021 published two reports, covering the **Government support to businesses during the COVID-19 pandemic - Co-Funded Payroll Scheme** and **Government support to businesses during the COVID-19 pandemic - Other Schemes**.

The C&AG is undertaking an extensive programme of work in respect of the Government of Jersey's response to the COVID-19 pandemic. Her ongoing work is considering:

- Overall governance and decision making
- Communications
- Procurement processes and supply chain management
- Management of the healthcare response
- Test, trace and vaccine roll out
- Risk management
- Management of public finances; and
- Schemes to support businesses and individuals.

These are the fifth and sixth reports in the series and focus on five schemes to support businesses: the Co-Funded Payroll Scheme, the Business Disruption Loan Guarantee Scheme, the Visitor Accommodation Support Scheme, the Fixed Costs Support Scheme and the Visitor Attractions and Events Scheme. The areas reviewed in respect of each scheme included scheme objectives, business case and decision making, design and operation of the control framework and monitoring and reporting arrangements.

Lynn Pamment found that the schemes to support businesses have been developed and implemented at pace with appropriate consideration given to risk. The C&AG noted however that there have been instances where public announcements have been made in respect of a particular phase or extension of a scheme before a supporting business case had been drawn up and a formal Ministerial Decision approved. In these announcements the status of the announcement and related Ministerial Decision have not always been clear.

The C&AG found that some scheme extensions have been implemented in situations where the overall cost of the scheme including the extension was not expected to exceed the original funding allocation. In the view of the C&AG it would have been prudent to record a formal Ministerial Decision to document the rationale for the extensions given that they are a matter of public interest, and in that regard could be considered as 'significant'.

The C&AG noted that in some instances, schemes have been introduced following formal Ministerial Instructions issued as a result of reservations expressed by Accountable Officers.

The C&AG found that a key control in many of the schemes implemented is a system of post payment audit testing. In some instances the post payment audit testing is only just starting or is yet to take place. In the view of the C&AG the risk of error and fraud would have been better managed by undertaking the post payment audit checks on a more timely basis. By the time checks are now reported it could be many months after the relevant payment was made. This time lag creates a greater risk in respect of the ability to recover any overclaims made.

The C&AG noted that a number of the schemes are still in operation or have just completed. It is therefore too early to conclude whether they have been successful in meeting their intended objectives.

**Lynn Pamment said:**

"The Government moved quickly to develop and implement a suite of schemes to support the business sector. Businesses have used the schemes for support during the COVID-19 pandemic although, for some schemes, not to the degree anticipated when the schemes were introduced.

It is important for Government to complete its planned post payment audit checks as soon as possible in order to recover any monies claimed fraudulently or in error. There remains a risk that errors and fraudulent payments are yet to be identified and that, if they are, it could be more difficult to recover monies due to the time lag since payment. It is also important for Government to undertake formal evaluations as the schemes end to assess the effectiveness of the individual schemes in meeting their planned objectives."

The reports *Government support to businesses during the COVID-19 pandemic - Co-Funded Payroll Scheme* and *Government support to businesses during the COVID-19 pandemic - Other Schemes* can be found at: <https://www.jerseyauditoffice.je>

**ENDS**

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**Notes to Editors:**

- The Office of Comptroller and Auditor General ('C&AG') was established in 2005 and operates under the Comptroller and Auditor General (Jersey) Law 2014
- The remit of the C&AG includes the audit of financial statements, corporate governance, internal control and wider consideration of public funds, often expressed as 'value for money'
- The 2021 Audit Plan can be found at: [www.jerseyauditoffice.je](http://www.jerseyauditoffice.je)
- Lynn Pamment took up the Office of C&AG on 1 January 2020 for a fixed term of seven years. Following the introduction of the Comptroller and Auditor General (Jersey) Law 2014 the term of office is fixed at seven years and is non-renewable.
- The Office of Comptroller and Auditor General is known as the 'Jersey Audit Office'.
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- Press releases will be published by the Jersey Audit Office to accompany the publication of each report
- Embargo times, where set, will be at 0001 hours on the day of publication - for 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 where set
- 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 Lynn Pamment or the affiliates 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](http://www.jerseyauditoffice.je)