

Board of Governance of the Comptroller and Auditor General

MEETING

held on 25 October 2023 at 10:00

by video conference

MINUTES

Present	Grace Nesbitt	Chair
	Russel Griggs	Senior Independent Member
	Rob Tinlin	Independent Member
	Lynn Pamment	Comptroller and Auditor General
In attendance	Andrea White	Secretary to the Board of Governance (for Items 1 to 19)
	Graham Liddell	Affiliate (for Items 13 and 14)
Apologies for absence	Received from Chris Alexander	

23/36 Item 1: Declarations of interests

The Board received a report from the Secretary to the Board highlighting that there had been no changes to the register during the period since the last board meeting.

The Chair declared an interest in Agenda Item 4 Succession planning for the Board of Governance which included an option of extending the Chair's term of office.

The Comptroller and Auditor General notified the Board of that she had been approached to fill a potential board role.

The Board:

- **noted the report**
- **confirmed that no changes to the register of interests are required**

- **agreed that the Chair should absent herself from the meeting during the Board's discussion on the extension of the Chair's term of office under Item 4 on this Agenda**
- **requested that the Comptroller and Auditor General formalise her notification to the Board regarding her potential board appointment by writing to the Chair.**

23/37 Item 2: Chair's update

The Chair noted the increased workload falling upon the Comptroller and Auditor General and her core team of Affiliates which had arisen due to the absence of a Deputy Comptroller and Auditor General.

The Chair reported the usefulness of receiving communication updates in keeping abreast of the news and developments in Jersey.

The Board agreed that all board members should receive the updates.

The Board:

- requested that the thanks and appreciation of the Board should be formally extended to the Comptroller and Auditor General and her core team of Affiliates
- requested that the communication updates should be sent to all members of the Board.

23/38 Item 3: Minutes of the meeting held on 06 July 2023

The Board received and agreed to adopt the minutes of the meeting of the Board held on 06 July 2023.

23/39 Item 4: Succession planning for the board of Governance

The Board received a report from the Secretary to the Board setting out the requirements of the Board to review its success plan on an annual basis.

The Chair left the meeting for the discussion on the extension of her term of office.

The remaining Board discussed the benefits and disbenefits of extending the current Chair's term of office noting that the term of current Chair could only be extended by one year to 13 March 2026

Whilst extending the term of office of the current Chair might be desirable, doing so would limit the opportunity for a new Chair to gain valuable experience prior to the recruitment of a new Comptroller and Auditor General.

The Chair rejoined the meeting following the discussion on the extension of her term of office, having been informed of the outcome by the Senior Independent Board Member.

The Chair indicated that she is content not to apply for an extension of her role.

The Board raised a matter for clarification as to whether an existing Board member, who had served their full term, would be able to apply for the Chair role as was the case in other jurisdictions.

The Board:

- **noted the report**
- **agreed the proposed changes to the succession plan arising from The Comptroller and Auditor General (Board of Governance) (Jersey) Order 2015 enacted on 02 February 2023**
- **confirmed that no further changes are required to the succession plan**
- **noted that the recruitment of an additional independent member of the Board is underway**
- **agreed that the current Chair's term of office should not be extended**
- **requested that the Board Secretary seek clarification on whether an existing member of the Board, who had served their full term, was eligible to apply for the Chair role**
- **agreed that no changes are required to the role descriptors for independent members of the Board of Governance**
- **noted that potential interest in the Chair or Senior Independent Member Board roles would arise when the relevant roles were advertised during the recruitment process**
- **noted that any additional support for board members would arise from the board member review process.**

23/40 Item 5: Annual strategic review including review of operation of the Board of Governance

The Board received and considered a report from the Secretary to the Board setting out the requirement of the Board to carry out:

- an annual review of its Strategic Framework and consider its impact on the Board's annual work programme
- an annual Self-assessment of Board performance
- an evaluation of individual Board member performance.

The Board:

- **noted the report**
- **confirmed that no changes were required to its Strategic Framework or to its annual work programme**
- **agreed that the Board performance evaluation should be carried out using the performance questionnaire set out in Appendix B**
- **the questionnaire should be sent to all members of the Board, the Board Apprentice and the Board Secretary for completion within a week or so of this meeting. The results are to be reported to the next board meeting in March 2024**
- **the questionnaire for the review of individual Board member performance should be updated by the Board Secretary in liaison with the Chair**
- **the updated questionnaire for the review of individual Board member performance should be distributed in good time for its completion and consideration of results prior to the next board meeting in March 2024.**

23/41 Item 6 annual Review of Standing Orders, Code of Conduct and Relationship Code

The Board received and considered a report from the Secretary to the Board setting out the requirement to carry out an annual review of its:

- Standing Orders
- Code of Conduct
- Relationship Code

The Board noted:

- that a full review of the documents had been undertaken in 2022
- the proposal to update Standing Orders arising from the changes to arising from The Comptroller and Auditor General (Board of Governance) (Jersey) Order 2015 increasing the term of appointment from four to five years and limiting the aggregate term to no more than 9 years
- the Board Secretary had reviewed relevant pronouncements from relevant bodies as the Financial Reporting Council and the Good Governance Institute to support the identification of any proposed changes.

The Board:

- **noted the report**
- **approved the proposed changes to Standing Orders**
- **confirmed that, subject to the clarification of who can apply for the Chair role as set out in minute 23/39 above, no further changes are required the Standing Orders, Code of Conduct and Relationship Code.**

23/42 Item 7: Jersey Audit Office policies

The Board received and considered a report from the Comptroller and Auditor General setting out:

- a schedule of the policies currently in force together with the date of the last review
- an update on the progress towards developing an Information Policy and an Equal Opportunities Policy.

The Board:

- noted the report and requested that;
- the Information Policy and the Equal Opportunities Policy be presented to the next Board meeting
- the review of other policies should be undertaken on a risk basis, and be staggered over a three year period
- the schedule of policies should also contain a proposed date for the next review.

23/43 Item 8: Risk Register

The Board received and discussed the risk register and a report from the Secretary to the Board highlighting the key changes made to the risk register since the last Board of Governance meeting.

The Board carried out an in-depth review of climate related risks C01, C02, C03: Climate-related risks. The Board noted that:

- the climate related risks should be viewed in the context of the overall Government of Jersey's approach to climate change
- further work was required to identify the Government of Jersey's strategic approach and policies in relation to climate change
- that travel is an integral requirement of the Comptroller and Auditor General carrying out her duties effectively
- an significant impact of climate change is likely to be travel disruption
- there is a balance to be struck between the effective use of public money and achieving appropriate climate change adaptations.

The Board:

- **noted the changes to the risk register**
- **requested that travel disruption as a result of climate change be included in the register**

- **that the climate change risks be updated once further information is obtained regarding the Government of Jersey's policies in response climate change risks.**

23/44 Item 9: Matters arising

The Board received and noted a report from the Secretary to the Board.

23/45 Item 10: Board member recruitment update

The Board received a report from the Secretary to the Board outlining progress on the recruitment of a new Board member.

The Board:

- **noted the report**
- **endorsed the successful recruitment consultant bidder.**
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23/46 Item 11: Implications of amendments to the Proceeds of Crime (Jersey) Law 1999

The Board received an report from the Comptroller and Auditor General detailing the updated Guidelines on interpretation Article 36 of the Proceeds of Crime (Jersey) Law 1999 and subsequent clarifications by the Jersey Financial Services Commission (JFSC).

The Board:

- **noted the report and update sent to each Board member on 26 September 2022**
- **confirmed that each Board member had determined their position based on their own individual circumstances and in light of the updated Guidance provided by the JFSC.**

23/47 Item 12: Comptroller and Auditor General's report

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

- reports issued and planned including the response to the Comptroller and Auditor General's report on her mid-term reflections and her planned publication of a new Code of Audit Practice in November
- developments within the States of Jersey
- developments within the Jersey Audit Office
- update on strategic priorities
- external engagement.

The Board noted the report.

The Audit Quality Lead Affiliate joined the meeting

23/48 Item 13 Auditors appointed by the Comptroller and Auditor General: Annual Review

The Board received a report from the Audit Quality Lead Affiliate detailing:

- the Comptroller and Auditor General's responsibilities in relation to the procurement and appointment of auditors of financial statements
- recommendations made in the Comptroller and Auditor General's Mid Term Reflections in relation to her powers of appointment

The Board noted the report.

23/49 Item 14: Audit quality framework

The Board received a report from the Audit Quality Lead Affiliate detailing:

- procedures for gaining assurance on the quality of 2023 financial statement audits
- progress on implementing INTOSAI principles and standards including the development of a Performance Audit Manual.

The Board:

- noted the report
- requested that an additional information to be added to Exhibit 2 Procurement and appointment of auditors of financial statements to reflect the contract extension period.

The Audit Quality Lead Affiliate left the meeting.

23/50 Item 15: External communications

The Board received a report from the Communications Officer covering:

- media and stakeholder activity
- media coverage
- website developments.

The Board noted the presentation.

23/51 Item 16: Finance update

The Board received a report from the Finance Officer detailing:

- performance against budget for the 8 months to 31 August 2023
- updated budget and forecast outturn against budget at 31 August 2023
- updated estimates for the Government Plan 2024 - 2027
- project budgets and outturn.

The Board:

- noted the report
- approved the updated estimates for the Government Plan 2024-2027

23/52 Item 17: Schedule of potential changes in legislation and advice sought from H M Attorney General

The Board received a report from the Comptroller and Auditor General. The Comptroller and Auditor General highlighted in particular the intention of Government to amend the Comptroller & Auditor General (Jersey) Law 2014 further to the Comptroller and Auditor General's recommendations in her Mid-Term Reflections report is listed in the published Ministerial Plans 2024-2027.

The Board noted the report.

23/53 Item 15: Gifts and hospitality register

The Board received and noted without discussion a report from the Secretary to the Board.

23/54 Item 16: Forward look

The Board received a report from the Secretary comprising a forward look for the next two meetings, including the annual items scheduled for decision at those meetings.

The Board noted the report.

23/55 Item 17: Dates of future meetings

The Board discussed its programme of meetings for 2024.

The Board:

- **confirmed its meeting planned for 25 March 2024 should be on island subject to the availability of members and officers for meetings and the appointment of the new Board Member**
- **requested that consideration be given to;**
 - **a programme of meetings with relevant stakeholders**
 - **holding a reception on island around the time of the 25 March 2024 meeting to inform interested parties about the role of the board and its activities**
- **further meetings should be arranged for July 2024 and October 202, the Secretary of the Board should canvass for specific dates**

The meeting closed at 12:40