

Board of Governance of the Comptroller and Auditor General

MEETING

held on 29 April 2024 at 10:00

by video conference

MINUTES

Present	Grace Nesbitt	Chair
	Russel Griggs	Senior Independent Member
	Rob Tinlin	Independent Member
	Peter Pichler	Independent Member
	Lynn Pamment	Comptroller and Auditor General
In attendance	Andrea White	Secretary to the Board of Governance (for Items 1 to 17 and 19 to 21)
	Helen Thompson	Deputy Comptroller and Auditor General (for Items 1 to 17 and 19 to 21)
	Rozena Pedley	Communications Officer (for Item 14)
Apologies for absence	None	

24/01 Item 1: Declarations of interests

The Board received a report from the Secretary to the Board highlighting that there had been changes to the register during the period since the last board meeting.

Rob Tinlin declared an interest in Agenda Item 11 Recruitment to the Board of Governance Chair and Member.

The Board:

- **noted the report**
- **noted that Peter Pichler had advised the Board Secretary of his interests prior to the meeting and that the Register of interests would be updated for this following the meeting.**
- **agreed that Rob Tinlin should absent himself from the meeting during the Board discussion under Item 11 on this Agenda.**

24/02 Item 2: Chair's update

The Chair:

- welcomed Peter Pichler to his first meeting as a new member of the Board
- apologised to the Board for needing to rearrange the meeting, being a necessity for urgent medical reasons
- congratulated the Comptroller and Auditor General on the award of her CBE in the King's 2024 New Year Honours List
- provided her observations on the recruitment process for the new independent board member.

The Board:

- noted the Chair's update
- added their congratulations to the Comptroller and Auditor General for receiving her CBE; and
- asked for the Chair's observations on the independent member recruitment to be fed back to the Government of Jersey People Services Department who supported the recruitment process.

24/03 Item 3: Minutes of the meeting held on 25 October 2023

The Board received and agreed to adopt the minutes of the meeting of the Board held on 25 October 2023.

24/04 Item 4: Risk register

The Board received a report on the risk register highlighting the key changes made to the risk register since the last Board of Governance meeting.

The Board reviewed the updated risk register and made the following observations:

- risk QO2 should be Green, following the recruitment of the new Deputy Comptroller and Auditor General and, as the risk had now been dispensed, could now be closed; and
- consistency should be applied to the status of risks mitigated by the review of office model

The Board noted the plans to carry out a comprehensive review of the risk register to better align the risks to Board and Office objectives and to take account of developments in risk management best practice. With this in mind the Board requested that the following comments to be taken into account when carrying out the review:

- using a point score to indicate the level of risk
- providing an indication of the impact of risk mitigations
- providing greater clarity of the risk owner
- providing more distinction between Board and Jersey Audit Office risks

The Board:

- noted the changes made to the risk register since the last meeting
- requested that its observations on the risk register be actioned
- requested that its comments on the format and content of the risk register be taken into consideration as part of the planned comprehensive review of the risk register; and
- allow time at the on-island board meeting in October 2024 to carry out an in depth review of the risk register.

24/05 Item 5: Annual Report and Accounts

The Board received a report and appendices containing:

- the Annual Report and Accounts for the year ended 31 December 2024
- the Audit Findings and Completion Report from the Jersey Audit Office auditors setting out the results of their audit for the year ended 31 December 2024

- a letter setting out the representations from management sought by the auditors
- the auditors proposed unqualified audit opinion for the year ended 31 December 2024

The Board noted that:

- they had an opportunity to comment on draft version of the Annual Report and Accounts and that their comments had been taken into account in this final version presented to the Board; and
- publication of the Annual Report and Accounts for the year ended 31 December 2024 is planned for 14 May following the publication of the Annual Report and Accounts of the Government of Jersey for the year ended 31 December 2024 and allowing for holidays of relevant signatories during the early May bank holiday week.

In addition to the comments already made on the Annual Report and Accounts, the Board:

- suggested that Russel Giggs be referred to as the Senior Independent member of the Board; and
- asked that the auditor be advised that there was a missing 's' after an apostrophe.

The Board welcomed the report from the auditors which reported no issues to report arising from the audit. The Board considered this particularly commendable as the audit covered a difficult period during the introduction of new IT systems. The Board thanked the Finance Officer for preparing the Accounts and to all those involved in drafting the Annual Report which they found to be clear and easy to read.

The Board:

- **endorsed the Annual Report and Accounts for the year ended 31 December 2023 subject to its additional comments**
- **noted the Audit Findings and Completion Report; and**
- **authorised the Chair of the Board to sign the Introductory Statement included in the Annual Report.**

24/06 Item 6: Assurance Statement on the Expenses of the Comptroller and Auditor General

The Board received a report setting out its statutory duty to prepare an assurance report upon the annual expenses of the Comptroller and Auditor General.

The Senior Independent Member of the Board confirmed he had completed his review of the Comptroller and Auditor General's expenses in 2023 on behalf of the Board and was content to recommend that the assurance statement be signed by the Chair on behalf of the Board.

The Board:

- **noted the report and the comments from the Senior Independent Member of the Board; and**
- **authorised the Chair of the Board of Governance to sign and date the 2023 assurance report on the annual expenses of the Comptroller and Auditor General on behalf of the Board.**

24/07 Item 7: Self-assessment of Board performance

The Board noted that a self-assessment questionnaire on Board performance had been completed by all Board members, the Board Secretary and the Board Apprentice.

The Board considered the analysis of responses received as set out in a report to the Board. It was satisfied that the majority of responses indicated that the Board was working well and agreed to focus on the small number of areas where the responses showed 50% or more of responses indicated partial agreement to the questionnaire statement.

The Board recognised that in a number of questions were subject to interpretation in relation to the Board's responsibilities and acknowledged that responses may be influenced by how information is presented to the Board.

The Board noted that it had been subject to an external evaluation in 2020 and that the commission of another external evaluation is to be considered at its meeting in October 2024.

The Board noted the report and requested that further time be set aside during its October 2024 visit to the Island to reflect further on the results of the self-evaluation.

24/08 Item 8: Board member performance

The Board considered a report on the outcomes of the Chair's assessment of Board member performance, noting the actions taken to implement the matters arising from her review.

The Board:

- noted the report
- confirmed it was content that relevant briefing sessions, such as the session arranged for October 2024 by the States Greffier on the workings of the States Assembly, were sufficient to enhance Board knowledge of Jersey; and
- confirmed it was content the Board appraisal process no changes were required.

24/09 Item 9: C&AG appraisal process

The Board received a report from the Deputy Comptroller and Auditor General on a proposal to formalise an appraisal process for the Comptroller and Auditor General.

The Board:

- considered that the C&AG appraisal process suggested was appropriate, balanced and reasonable
- noted that the appraisal carried out annually by the Chair of the Board
- the appraisal will cover the C&AG's role as a Board member as well as her substantive post as C&AG
- noted the sources of evidence to be used to support the appraisal process, including feedback from stakeholders
- reflected on the most appropriate timing of the C&AG appraisal process and the desire to align the Board member performance appraisal process with it; and
- noted that only the States Assembly has the power to approve the appointment of, or removal of, the C&AG.

The Board noted the report and approved the formal appraisal process for the Comptroller and Auditor General.

24/10 Item 10: Board apprentice

The Board considered a report on its participation in the Jersey Board Apprentice scheme which came to an end on 14 March 2024.

The Board discussed the original purpose of joining the scheme and considered the feedback from the Board apprentice. It reinforced its

desire to contribute to the development of prospective Board members but should take account of the Board's commitments and programme of work over the next two years.

The Board agreed that it should delay its decision to continue its participation in a board apprentice scheme until a new C&AG Board is in place.

Rob Tinlin left the meeting for Item 11

24/11 Item 11: Recruitment to the Board of Governance Chair and Member

The Board received a report on the for the recruitment of a new Chair and Independent member of the C&AG Board comprising:

- the process and timing of the recruitment
- recruitment consultant support
- a candidate brief for the Chair
- a candidate brief for the independent member; and
- a draft advert for the independent Chair and member.

The Board discussed:

- the lessons learnt from the Chair's involvement of the most recent recruitment process for an additional Independent member of the Board; and
- the need for the recruitment of a second Independent member of the Board.

The Board considered that the recruitment of new a Board Chair and Independent Board Member/(s) was an appropriate time to review the remuneration of the Board and the impact on the budget and Government Plan requirements.

The Board:

- noted the report
- approved the candidate briefs and draft advert
- requested clarification for a second independent Board member
- requested that the recruitment consultant provide an initial draft of the interview questions based on the candidate briefs; and
- requested that the level of remuneration of the Chair and Board be reviewed and investigated.

Rob Tinlin rejoined the meeting

24/12 Item 12: Matters arising

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

24/13 Item 13: Comptroller and Auditor General's report

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

- progress to date against the JAO Strategy 2024-2027
- project management
- appointment and monitoring of financial statements auditors
- interaction with the States Assembly, including the Public Accounts Committee (PAC)
- developments within the States of Jersey
- stakeholder feedback
- developments within the Jersey Audit Office
- update on strategic priorities
- external engagement
- data losses.

The Board noted the report and welcomed its revised format, setting out process against the JAO Strategy 2024-2027 and key performance indicators.

The Communications Officer joined the meeting for Item 14

24/14 Item 14: External communications

The Board received a report from the Communications Officer covering:

- media and stakeholder activity
- wider social media coverage
- website activity; and
- Stakeholder consultations and events.

The Board noted the presentation.

The Communications Officer left the meeting

24/15 Item 15: Finance update

The Board received a report from the Finance Officer detailing:

- performance against budget for the 12 months to 31 December 2023
- budget for the year ending 31 December 2024
- estimates for the Government Plan 2025 - 2028; and
- project budgets and outturn for 2023 work programme.

The Board considered that the impact on the budget of the recruitment of new a Board Chair and Independent Board Member/(s).

The Board noted that the Government of Jersey was intending to review the remuneration of the Comptroller and Auditor General's role during the recruitment process for a new C&AG during 2025.

The Board noted that the estimates for the Government Plan 2025-2028 had been prepared and that these would be sent to the Board in a separate paper for virtual approval.

The Board discussed the reasons for project overruns.

The Board:

- noted the report; and
- requested that the impact of the recruitment of the Board Chair and Independent Member be further reviewed and investigated.

24/16 Item 16: Audit quality framework

The Board received a report from the Deputy Comptroller and Auditor General (DC&AG) detailing:

- procurement and appointment of auditors of financial statements
- audit quality monitoring activity; and
- Transparency report.

The Board discussed and noted the actions being taken to maximise the number of bidders for external audit contracts.

The Board:

- noted the report.

24/17 Item 17: Jersey Audit Office policies

The Board received a report from the Deputy Comptroller and Auditor General (DC&AG) setting out on the current status of the C&AG's annual policy review and development containing:

- an updated Code of Conduct following a review of the Code against the principles and standards published by the International Organization of Supreme Audit Institutions (INTOSAI), and other relevant standards
- details of Code of Conduct declarations
- a revised travel policy now including a reference to cancellation policy and the period within which expenses should be reclaimed
- updates on the progress on information policies, equal opportunities, social corporate responsibilities and safeguarding; and
- the cyclical review of policies.

The Board:

- noted the report
- confirmed it had no comments on the updated Code of Conduct or Travel Policy; and
- confirmed it was content with the cyclical policy review timetable.

Helen Thompson and Andrea White left the meeting for Item 18

24/18 Item 18: Jersey Audit Office operating model

The C&AG presented a report on the future operating model of the Jersey Audit Office. The C&AG will prepare a confidential note of the Board's considerations which will be cleared with the Board Chair and members. The note will be retained by C&AG.

Helen Thompson and Andrea White rejoined the meeting

24/19 Item 19: 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 the Government's intention to share draft legislation to amend the Comptroller & Auditor General (Jersey) Law 2014 for comment.

The Board noted the report.

24/20 Item 20: Gifts and hospitality register

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

24/21 Item 21: 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.

24/22 Item 22: Dates of future meetings

The Board noted the dates of future meetings on:

- **Wednesday 24 July 2024 10am via MS Teams**
- **Thursday 24 October 10am On Island**

The meeting closed at 12:45