

COMPTROLLER & AUDITOR GENERAL'S PROGRAMME

CONSULTATIVE DOCUMENT

JULY 2011

*Observations on the proposals set out in this Consultative Document and
any other matters should be sent to:*

*The Comptroller & Auditor General,
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or sent by e-mail to:

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by 31 August 2011

1. Towards the end of 2008, I published a Consultative Document on the programme of work which I proposed should be the basis of my office's work for the following few years. The purpose of this document is to review what has happened since then, review what has been achieved and to make proposals for the programme to be followed in the next few years.
2. The 2008 document identified a number of objectives at which the programme should aim and proposed a number of steps to be taken to achieve each objective. These objectives are set out in Appendix One to this paper together with a brief note of the actions that have been taken and reports issued in each case.

Objectives for 2011-2014

3. Broadly, I believe that the objectives set out in the 2008 consultative document (and in the previous 2006 consultative document) remain appropriate and that they do not require revision. Those objectives are as follows:
 - (1) to encourage higher standards of financial management and financial reporting within the States sector;
 - (2) to challenge all public bodies to deliver better value for money;
 - (3) to encourage continual improvement in public services so that they meet the changing needs of diverse communities and provide fair access for all;
 - (4) to promote high standards of governance and accountability;
 - (5) to stimulate significant improvement in the quality of data and the use of information by decision makers.

Programme of work

4. To achieve these objectives, it is proposed that the projects mentioned in Appendix One should constitute the main focus of the programme in the next few years, in addition to whatever projects are agreed in consultation from time to time with the Public Accounts Committee and the States of Jersey.
5. The proposals incorporate a slight change in the emphasis of the programme. Transfer to the C&AG's office of responsibility for publication of an annual performance report for the States of Jersey will increase the emphasis on the provision of data rather than on the publication of commentaries and reports. This emphasis would be further strengthened by whatever further initiatives are developed following the completion of the current project to prepare data comparing the performance of the States of Jersey and The States of Guernsey.
6. This change in emphasis appears appropriate because of developments within the States. The C&AG's programme was originally developed in the belief that achievement of better value for money would not be easy unless the quality of financial management and governance were improved. In the past two years, the States have taken steps both within the Treasury & Resources Department and more generally to improve the quality of financial management and financial data. The effect of these steps has been and should continue to be significant. Accordingly, it seems appropriate that the programme should emphasise other objectives.

Issues

7. Quite apart from the work that it is proposed to undertake, there are a small number of issues which require to be considered:

Whistle-blowing

8. Since 2006, I have maintained a facility (by way of the C&AG's website) by which members of the public may report concerns about the finances and services of the States. This facility is not widely known and is only used in a small number of cases. I propose to take some limited action to ensure that this facility is more widely known and is easier to use.

Circulation of reports

9. I also maintain a facility by which copies of reports, statements and other documents published by my office are circulated by e-mail (and where necessary by post) to people and organisations who register an interest. This facility represents a most cost-effective means of circulating material.
10. This facility also is not widely known but is now used by a significant number of people. I propose to take some limited action to ensure that this facility is more widely known.

Annual Performance Report and other documents

11. One of the key objectives of the work programme is to provide (or to ensure the provision of) reliable and authoritative information about the finances and performance of the States. In large part, this is done by way of formal accounts and reports which have the merit that information is provided in a formal, regulated and, as far as possible, balanced manner but also have the disadvantage that, for many people, the information provided is inaccessible.
12. I intend therefore, in conjunction with the publication of the next Annual Performance Report, to publish proposals for the dissemination of this material in more accessible forms.

Reactions to reports

13. The process by which a report is prepared involves discussion with people who have contributed to a review (and others) to confirm the factual content of the report and to ensure that as far as possible no unintended messages are communicated by the report as drafted. When published, my normal practice has been to give no media briefings so that the published document stands on its own merits.
14. I would be grateful for observations on whether this process remains appropriate to ensure that there is a balanced reportage of the contents of a report.

APPENDIX ONE ≈ REVIEW OF OBJECTIVES AND ACTION TAKEN

<i>Para</i>	<i>Description in the 2008 Consultation Document</i>	<i>Work undertaken</i>	<i>Proposed continuing approach</i>
8	OBJECTIVE ONE FINANCIAL MANAGEMENT AND REPORTING		
	Audit of the financial statements of the States.	Completed satisfactorily annually.	To continue.
	Review of performance reports published by the States.	Review has been completed – the outcome has been that the C&AG has taken responsibility for the publication of future reports.	C&AG to publish the annual reports – after review of their preparation and content – to include key performance indicators comparable with comparable authorities.
	Audit of other funds for whose audit the C&AG is responsible.	<p>The Social Security Fund accounts have been audited and published.</p> <p>The accounts of the States' special funds have been brought up to date, audited and published.</p> <p>The accounts of the Jersey Dental Scheme have been brought up to date, audited and are to be published shortly.</p>	<p>To continue.</p> <p>To continue.</p> <p>To continue.</p> <p>Work to identify other funds whose accounts are out of time and to bring them up to date to continue.</p>
	Annual assessment of financial management in the States.	<p>Assessment published in mid 2009.</p> <p>Management restructuring being implemented by the Treasury.</p>	Annual assessment plan to be re-visited with a view to an assessment taking place in the autumn, 2011.
		Review of the States' management of foreign exchange liabilities arising from the EfW project – completed and published.	
9	OBJECTIVE TWO VALUE FOR MONEY		
	Review of major asset disposals by the States.	Review of 2009 disposals published in 2010. Led to PAC review of the States' policy with regard to Jersey Homebuy.	To continue with a review of disposals in 2010.
	Publish comparison between the costs of the Island's public services and those of similar mainland services.	Project to compare the costs and outcomes of services between Jersey	Complete project and publish outcome.

		and Guernsey had been undertaken. A first report of the outcome has been shared with the Public Accounts Committees of Jersey and Guernsey.	Evaluate outcome and prepare proposals for future development if appropriate.
		Review of the public library service published in 2011. Review of Jersey Heritage Trust published in 2011. Review of the States' management of the bus contracts – review completed and to be published shortly.	
10	OBJECTIVE THREE CONTINUAL IMPROVEMENT		
	Review of benefit fraud management arrangements.	Not pursued.	To be undertaken.
	Assessment of States' response to the challenges set out in the conclusions of the Spending Review.	Review underway.	
11	OBJECTIVE FOUR GOVERNANCE AND ACCOUNTABILITY		
	Reviews of one department each year.	Not pursued.	
		Review of the States' controls of senior management salaries prepared and published in 2011. Review of data security management – completed and published in 2009. Review of airport contract and procurement to be undertaken at the request of the Public Accounts Committee.	Review of subsequent performance to be undertaken. To be completed.
12	OBJECTIVE FIVE INFORMATION FOR DECISION-MAKING		
	Review of performance practice within the States	Sickness absence management review commenced at the request of the Public Accounts Committee.	To be completed.
	WHISTLE BLOWING		
		Acceptance of role as ultimate point of contact under the States' Serious concerns Policy - 6 reports so far received and monitored.	To continue.
		Receipt of public whistle blowing report.	To continue.