

# STATES OF JERSEY



## NON-MINISTERIAL DEPARTMENTS (R.148/2019): EXECUTIVE RESPONSE

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Presented to the States on 17th February 2020  
by the Public Accounts Committee

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STATES GREFFE

## FOREWORD

In accordance with paragraphs 64–66 of P.56/2018, the [Code of Practice](#) for Engagement between ‘Scrutiny Panels and the Public Accounts Committee’ and ‘the Executive’ (February 2018), the Public Accounts Committee presents the Executive Response to the Comptroller and Auditor General’s (“C&AG”) Report entitled Non-Ministerial Departments ([R.148/2019](#), presented to the States on 5th December 2019).

The Public Accounts Committee welcomes the non-Ministerial Departments’ co-ordination with the Executive to provide a collated response and will consider the contents further to inform the presentation of more detailed comments in due course.

**Senator S.C. Ferguson**  
Chairman, Public Accounts Committee

**Response from The Chief Executive and Treasurer of the  
States/Director General of Treasury and Exchequer to  
Comptroller and Auditor General report on Non-Ministerial  
Departments**

**January 2020**

**Glossary of Terms**

C&AG – Comptroller and Auditor General

PAC – Public Accounts Committee

Chief Executive/Treasurer/Director General's Response:

**Review title: C&AG Review: [Non-Ministerial Departments](#)- Executive Response to PAC by Friday 31 January 2020**

### Summary of response

The Chief Executive of the Government of Jersey welcomes the Comptroller and Auditor General's (C&AG) report on Non-Ministerial Departments. The C&AG's report highlights a number of areas where the Government of Jersey and Non-Ministerial Departments can improve the ways in which they work in partnership to support good governance and improve accountability of the Non-Ministerial Departments to the Treasurer and the States Assembly.

The Government already works closely with the Non-Ministerial Departments and is committed to improving our joint working arrangements whilst respecting their important constitutional independence. The Government of Jersey agrees with the C&AG that more can be done to support colleagues across the public service to understand the relationship between the Government of Jersey and the Non-Ministerial Departments, to clarify the ways in which the corporate departments can support the Non-Ministerial Departments and to agree what level of support should be expected. Initial work on agreeing the partnership framework will be undertaken by the Chair and members of the Non-Ministerial Departments Forum in the coming months.

It is the responsibility of all public services to use public resources in an effective and efficient manner. Improving the arrangements for partnership working and the processes that support it, including business partnering and support services, will enable the public service to secure the best value and improve services for Islanders.

The action plan below has been co-produced with the Non-Ministerial Departments. They are fully supportive of the proposed activities contained within it. The implementation of the action plan will be monitored by the Non-Ministerial Departments Forum and evidenced through the C&AG and PAC Tracker.

Action Plan

Recommendation	Action	Target date	Responsible Officer
<b>Recommendations to the Non-Ministerial Departments and Government of Jersey</b>			
<b>R1</b> Institute arrangements to verify the contents of Annual Governance Statements submitted.	<p>The 2019 Governance Statements have been subject to review by Internal Audit. The Director of Risk and Audit is also vice-Chair of the regular liaison meetings with the non-Ministerial Departments, and governance matters are regularly reviewed and discussed at these.</p> <p>For Governance Statements for 2020 and beyond additional levels of oversight can be provided by both extended coverage of the Risk and Audit Committee and improved levels of dedicated Finance Business Partner support. All Accountable Officers will be reminded of the need to retain evidence to support their Governance Statements.</p>	Improve for 2020 Governance Statements – Q4 2020	Treasurer of the States
<b>R2</b> Ensure that the statutory provisions relating to the submission of estimates for Government Plans are reflected in documented arrangements for the compilation of future Government Plans.	The submission process for the next Government Plan will reflect the specific arrangements for Non-Ministerial Departments within the Public Finances Law.	For Government Plan 2021-2024	Group Director, Strategic Finance
<b>R3</b> Agree and adhere to standards for the time allowed for responses to requests for information from Non-Ministerial Departments.	Improved levels of dedicated Finance Business Partner support will assist with addressing this matter. Future requests will take into account the impact of requests on smaller departments. These will be reflected in MoUs and/or SLAs to be developed.	Q3 2020	Group Director, Strategic Finance

<p><b>R4</b> Ensure that general requests to all departments are appropriately adapted for the specific circumstances of Non-Ministerial Departments.</p>	<p>For all communication from Treasury and Exchequer, additional attention will be given to terminology used and whether it has been correctly applied to the non-Ministerial Departments.</p> <p>Any general issues regarding terminology may also be raised by the Non-Ministerial representatives at the Chief Executive's Executive Leadership Team meetings.</p>	<p>Immediate</p>	<p>Group Director, Strategic Finance and Group Director, Performance, Accounting and Reporting</p>
<p><b>Recommendations to the Non-Ministerial Departments and Government of Jersey</b></p>			
<p><b>R5</b> Agree a statement of the overall relationships between the Government of Jersey and Non-Ministerial Departments that reflects differences in their functions, size and applicable statutory provisions.</p>	<p>A high-level statement is to be developed that properly reflects the relationship and respective responsibilities between the Accountable Officers for the Non-Ministerial Departments and the wider public sector governance arrangements.</p> <p>The Statement will be developed in partnership, working through the Non-Ministerial Departments Forum.</p>	<p>Q2 2020</p>	<p>Chair of the Non-Ministerial Departments Forum</p>
<p><b>R6</b> In light of an agreed statement of relationships, agree appropriate revised Terms of Reference for liaison meetings between the Government of Jersey and Non-Ministerial Departments, including details of the routine attendees at the meetings.</p>	<p>Revised Terms of Reference to be developed for the Non-Ministerial Departments Forum, which brings together the Accountable Officers from the Non-Ministerial Departments with representatives from the Government.</p> <p>Terms of Reference to be developed in partnership, working through the Non-Ministerial Departments Forum.</p>	<p>Q2 2020</p>	<p>Chair of the Non-Ministerial Departments Forum</p>

<p><b>R7</b> To reinforce the need for an effective partnership, review the arrangements for chairing and agreeing the agenda for liaison meetings between the Government of Jersey and Non-Ministerial Departments, including through consideration of a rotating Chair.</p>	<p>Chairing arrangements to be reviewed as part of revising the Terms of Reference for the Non-Ministerial Departments Forum in consultation with the Head of the Public Service. We are also strengthening Government of Jersey representation in the Non-Ministerial Departments Forum (see R6 above).</p>	<p>Q2 2020</p>	<p>Chair of the Non-Ministerial Departments Forum</p>
<p><b>R8</b> Establish arrangements to ensure that there are appropriate adaptations to corporate activities, including modernisation initiatives, necessary to ensure their relevance to Non-Ministerial Departments.</p>	<p>It was agreed that the Non-Ministerial representatives will be invited to attend all of the Executive Leadership Team standing meetings that take place from 1 January 2020 which includes meetings on Strategy development, Performance and the One Government Board).</p> <p>Arrangements to be considered as part of deployment of the high-level statement (R5 refers) and development of revised Terms of Reference (R6 refers).</p>	<p>Q3 2020</p>	<p>Chair of the Non-Ministerial Departments Forum</p>
<p><b>Recommendations to Non-Ministerial Departments</b></p>			
<p><b>R9</b> Develop action plans to address weaknesses in governance and accountability identified in this report, seeking support from Treasury and Exchequer and other Government of Jersey departments as appropriate.</p>	<p>Non-Ministerial Departments Finance Business Partner will review identified weaknesses in specific departments and work with Accountable Officers in those departments to ensure required standards of governance are met.</p>	<p>Q3 2020</p>	<p>Finance Business Partner and Non-Ministerial Department Accountable Officers</p>
<p><b>R10</b> Consider options for enhanced oversight of the governance of Non-Ministerial Departments that does not impinge on their operational</p>	<p>Options for enhanced oversight of the governance to be reviewed by the Non-Ministerial Departments Forum, including the possibility of oversight by the Government of Jersey Risk and Audit Committee.</p>	<p>Q3 2020</p>	<p>Chair of the Non-Ministerial Departments Forum</p>

<p>independence, including through establishment of an advisory Audit Committee that:</p> <ul style="list-style-type: none"> <li>• reports to the Accountable Officers for Non-Ministerial Departments; and</li> <li>• provides assurances on internal control to the Treasurer of the States in the context of his wider responsibilities for the public finances of Jersey</li> </ul>	<p>However, it should be noted that Internal Audit do review the work of the Non-Ministerial departments which is then reported to the Treasurer and Accountable Officers. The Risk and Audit Committee also have sight of all reports produced by Internal Audit.</p> <p>In addition, the GoJ Governance Framework which is in development will ensure appropriate alignment with the Non-Ministerial departments whilst maintaining their constitutional independence.</p>		
<p><b>Support services for Non-Ministerial Departments Recommendation to Non-Ministerial Departments, Treasury and Exchequer and the Government of Jersey</b></p>			
<p><b>R11</b> Agree a high-level statement on the operation of business partnering that applies to all support services provided to Non-Ministerial Departments and reflects the specific circumstances of Non-Ministerial Departments and reflecting the principle of securing value for money across the States as a whole.</p>	<p>High level statement on business partnering to be developed, in partnership with the Non-Ministerial representatives, working through the Non-Ministerial Departments Forum.</p>	<p>Q3 2020</p>	<p>Chair of the Non-Ministerial Departments Forum</p>



<b>Recommendations to Non-Ministerial Departments and Treasury and Exchequer</b>			
<b>R12</b> Agree Memoranda of Understanding for the provision of finance support to Non-Ministerial Departments, setting out principles that underpin the relationships.	A Memoranda of Understanding for finance business support to be developed in partnership with Accountable Officers for Non-Ministerial Departments, working through the Non-Ministerial Departments Forum.	Q3 2020	Treasurer of the States
<b>R13</b> Following agreement of Memoranda of Understanding for the provision of finance support to Non-Ministerial Departments, agree Service Level Agreements setting out service standards and mechanisms for monitoring performance against those standards.	Following the development of the Memoranda of Understanding, Service Level Agreements will be developed for finance business support, working with the Accountable Officers for Non-Ministerial Departments. These will be taken through the Non-Ministerial Departments Forum for discussion and agreement.	Q3 2020	Treasurer of the States
<b>R14</b> Review options for strengthened finance support for Non-Ministerial Departments either through enhanced: <ul style="list-style-type: none"> <li>• collaboration between Non-Ministerial Departments building on arrangements already in place; or</li> <li>• tailored support by Treasury and Exchequer</li> </ul>	The Treasurer will designate a dedicated Head of Finance Business Partnering to support the non-Ministerial departments. This officer will then carry out a review of the support needed by those departments, including from those officers currently based within the departments.	Appoint by end of Q1 2020  Review level of support provided centrally and within departments by end of Q4 2020.	Treasurer of the States

<b>Recommendation to Non-Ministerial Departments and the Government of Jersey</b>			
<p><b>R15</b> in the context of an agreed high-level statement on business partnering and in light of the experience of developing the business partnering relationship for finance, agree and implement Memoranda of Understanding and Service Level Agreements for other support services.</p>	<p>On completion of the Statement, MOU and Service Level Agreements for Finance support, work will begin to develop similar arrangements with other GoJ support services e.g. People Services and Modernisation and Digital.</p> <p>It should be noted that those services named above are in the process of delivering modernisation and transformation processes similar to Finance, hence the longer date for achievement.</p> <p>This action will be completed earlier if it is possible to do so.</p>	<p>June 2021</p>	<p>Chief Operating Officer</p>

Recommendations not accepted

The Government of Jersey and the Non-Ministerial Departments accept all of the recommendations contained in the Comptroller and Auditor General's report.