

Deputy I. Gardiner
Chair, Public Accounts Committee
c/o Scrutiny Office,
States Greffe
By Email

10th January 2022

Dear Deputy Gardiner and Colleagues,

PAC Review of Government of Jersey Performance Management

Many thanks for your letter of 22nd December, requesting my input into your ongoing review of Government of Jersey Performance Management. I will try both to answer your specific questions and to give you some more general thoughts on the subject.

As you know, Jersey Overseas Aid is a slightly strange creature: Not a department, an ALO or a Non-Min, but some combination of all of these. In fact we are best considered a Committee of the States; a relic of the pre-Ministerial system, perhaps, but a set-up which has now been finely tuned to maximise both our independence and our accountability. We are a Head of Expenditure on our own, meaning we need no parent Department, and of course we are represented at COM, QWON and Scrutiny by our own Minister. We are governed by our own Law (2005) and our staff are not SEB employees. However we have an MOU in place with the 'Office of the Chief Executive' which sets out how we interact with government, plus our own section of the Public Finances Manual which informs our relationship with Treasury. Additionally, we interact closely with External Relations (as you can imagine), and are scrutinised by Internal Audit (by which, I cannot resist stating, we are I think the only States-Funded Body currently to be given a perfect score).

Our independence from the Government of Jersey was established for good reasons: It enables us to pursue long-term objectives unencumbered by short-term political considerations, and to develop a reputation abroad for competence, objectivity and effectiveness that ultimately does more good for Jersey than if we tried to use our aid budget to pursue the Island's more immediate policy goals. We are in the privileged position of being able to coordinate closely with Government (at Officer and since 2018 at Ministerial level) and to receive operational support (principally from Treasury but also from States IT) but to sit outside the civil service. We thus escaped much of the turmoil of the period 2017-21, and my comments on the changes introduced during that time are those of an outsider.

First, in terms of support: We are very happy with the support we receive from Treasury, and with the performance of the senior staff we interact with. Our Finance Business Partner is excellent, as is the 'Head of' who manages FBPs for Non-Mins (where we fit into the system). They assist us with payments, accounting, governance statements and our annual submission for the Government Plan. We also receive superb support from the Head of Financial Governance and his team for questions around policies and procedures. I cannot comment on the way Treasury has been reorganised internally, except to note that morale appears to have suffered and that in some areas (e.g. Accounts Payable) staff turnover has been very high. This latter issue has on occasion led to misunderstandings around JOA payments.

Second, in terms of the Performance Framework: Domestically-speaking it is a comprehensive and thoughtfully-designed results matrix. My only criticism is that it is quite inward-looking. There is little space for Jersey's international engagement, its reputation, its role as a responsible global citizen, the strength and depth of the external links on which globalised economies depend, or the good it does in the world. This has meant that the work of outward-facing public bodies has to be shoehorned into an inappropriate category (e.g. 'Economy'). I realise that meaningful, outcome-level indicators are hard to find when it comes to measuring the image and clout of the Island internationally. However, the absence of this perspective in both performance and policy frameworks (see also 'Future Jersey') handicaps those working to advance the Island on the world stage, sending a signal that international work is not a priority (as did the downgrading in the 'Target Operating Model' of External Relations to an oblast of the 'Office of the Chief Executive'). I think it is important that future CEOs understand that Jersey is a country, not Oldham-on-Sea.

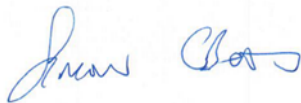
One additional comment on the performance framework: It enables *internal* comparisons over time (if the figures are updated; many are several years old), but may not be not optimised for external ones. Jersey should also be benchmarking its performance against other countries, and initiatives like the Sustainable Development Goals (2015-30) provide large sets of indicators against which almost all other countries report. Many of these are admittedly geared more towards poorer nations, but many would also apply to Jersey, and I think we miss a trick in not including more recognised international comparison points (eg on gender equality).

Finally, I do not know if strictly speaking falls this within the scope of your review, but the new planning and budgeting process now risks undermining some of the support we and other publicly-funded bodies receive. The 'Government Plan' was meant to provide a longer-term perspective than the old four-year Medium-Term Financial Plans, as well as clearer rationale and more coordination for each spending decision. I welcome providing Green Book-style business cases for expenditure, but I am not sure it has made

decision-making any more joined-up, and the complexity of the process (I suppose) means that spending decisions are not put to a States vote until December. Therefore we have no certainty about our budget until a fortnight before we need to start spending it. Additionally, the process seems to tie up the Council of Ministers and many key civil servants for several months of the year, reducing the bandwidth available for other decision-making.

I hope these observations assist you with your review, and I am at your disposal for any follow-up questions.

With best wishes,

A handwritten signature in blue ink, appearing to read 'Simon Boas', is written over a light blue rectangular background.

Simon Boas
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