

Public Accounts Committee

Record of Meeting

Date: 26th March 2025

Present	Deputy Karen Wilson, Chair [in absence of Chair and Vice-Chair] Deputy Kristina Moore, Vice-Chair [via Microsoft Teams] Deputy David Warr, Member Deputy Raluca Kovacs, Member Philip Taylor, Lay Member Glen Kehoe, Lay Member Vijay Khakhria, Lay Member
Apologies	Deputy Inna Gardiner, Chair
In attendance	Lynn Pamment, Comptroller and Auditor General Justin Whitfield, Chief Information Officer, Treasury and Exchequer [item 4 only] Caroline Hastings, Director of Commercial Services, Treasury and Exchequer [item 4 only] Ruth Galloway, Head of Business Enablement and Customer Support, Treasury and Exchequer [item 4 only] Richard Bell, Treasurer of the States [item 5 only] Andrew Hacquoil, Director of Strategic Finance, Treasury and Exchequer [item 5 only] Hannah Layer, Head of Group Reporting, Treasury and Exchequer [item 5 only] Andy Harris, Committee and Panel Officer Joseph Brannigan, Research and Project Officer [item 5 – 10] Michael Morris, Communications Officer

Agenda matter	Action
1. Appointment of Lay Member and welcome The PAC welcomed Ali Awan as a Lay Member following his appointment at the States Assembly sitting on Tuesday 18 th March 2025. Mr. Awan thanked the PAC for welcoming him to the Committee and expressed his eagerness to contribute to the work of the PAC.	
2. Records of Meetings The PAC noted and approved the record of meeting held on 12 th March 2025.	AH/JB
3. Conflicts of Interest There were no conflicts of interest declared by PAC members arising from matters on the agenda.	
4. Public Hearing – Information Technology Procurement The PAC received Justin Whitfield, Chief Information Officer, Treasury and Exchequer, Caroline Hastings, Director of Commercial Services, Treasury and	

<p>Exchequer and Ruth Galloway, Head of Business Enablement and Customer Support, Treasury and Exchequer for a public hearing as part of its ongoing review of procurement, specifically to discuss Information Technology procurement. The proceedings were webcast live on the States Assembly website and a recording was made so that a transcript could be produced.</p>	
<p>5. Private Briefing – Group Reporting Boundary</p> <p>The PAC received the Treasurer of the States and Officers for a briefing on proposed changes to the group reporting boundary within the Annual Report and Accounts. The record of this meeting was classified as exempt in accordance with the Freedom of Information (Jersey) Law 2011 (as amended) under Qualified Exemption Article 36.</p>	
<p>6. Comptroller and Auditor General update</p> <p>The PAC received an update from the Comptroller and Auditor General (C&AG) in relation to her audit plan for 2025. The following updates were provided:</p> <ul style="list-style-type: none"> • Critical Infrastructure Resilience: Cyber Security Arrangements – this review was currently in the project specification stage with fieldwork to commence in June 2025. • Critical Infrastructure Resilience: Transport Links – fieldwork was ongoing in respect of this review. • Efficiency Savings: Good Practice Guide – a good practice guide was due to be presented in quarter two 2025 alongside a best practice workshop. • Staff Recruitment and Retention – this report had been presented on 17th March 2025 and the Executive Response was due to be received by 2nd May 2025. • Transparency and Excellence in Annual Reporting – self assessments had previously been issued to the relevant bodies, and it was intended for an event to be held in September 2025 to recognise best practice. <p><u>Financial Statements Audit update</u></p> <p>The C&AG also provided the PAC with an update on arrangements in respect of the audit of the financial statements of the States of Jersey:</p> <p>The Forvis Mazars LLP audit of the States of Jersey was ongoing, and an Audit opinion was planned to be issued by 30 April 2025 along with the C&AG certificate on the 2024 Accounts. An Invitation to Tender had been issued for the States of Jersey audit for 2026 and beyond noting the current contract was set to end at the end of 2025. The deadline for submission of tenders was 12 noon on 16th May 2025, with the tender process planned to be completed by the end of June 2025.</p> <p>Discussions had concluded regarding the accounting boundary and the consolidation of group entities and discussions were ongoing regarding the future requirements for sustainability reporting by the States of Jersey.</p> <p>The contracts for four audits were due to expire after the audit of the 2024 financial statements. It was noted that one had been subject to a tendering process already for 2025 and beyond and the remaining three audits would be tendered in the near future:</p> <ul style="list-style-type: none"> • Gambling Commission • Jersey Competition and Regulatory Authority • Jersey Advisory and Conciliation Service 	

- Jersey Financial Services Commission (tender process had been completed)

Update on other C&AG matters

The C&AG advised the PAC that:

- A new Board of Governance was now in place to oversee the expenditure of the Jersey Audit Office. It was planned that a meeting of the new Board with the PAC would take place in the spring/early summer of 2025.
- The Chief Minister had approved drafting instructions for an updated C&AG Law to reflect many of the recommendations made in the C&AG's *Mid-Term Reflections* (July 2023) report.
- A briefing for States Members and PAC members was planned for 31st March 2025 on the C&AG's Annual Report of Findings that would be published on that day.

Staff Recruitment and Retention

The C&AG provided an update to the PAC on the findings of the recently published report 'Staff Recruitment and Retention'.

The C&AG advised that the Government's Strategic Workforce Plan and People Strategy was published in 2022 and was refreshed and updated at the end of 2024. Work was however ongoing to develop and finalise departmental strategies and plans that supported the overall Budget (Government Plan). A key barrier to developing and finalising strategic workforce plans in several core service delivery areas was the lack of strategies and vision for the operational delivery models for those services.

None of the departmental plans reviewed had a documented action plan with key deliverables, responsibilities and timeframes; to give a route map for delivery and none were supported by an education and training plan. The main policy document on recruitment and retention was last updated in 2019 and was acknowledged by officers to be out of date. At the time of the C&AG's fieldwork, officers were in the process of drafting a new policy as well as a new rewards and benefits policy. Historically, Chief Officers had applied different interpretations of policies to different appointments and there had been limited consistency. This created risk for the Government and had the potential for there to be a perception of unfairness in terms of employment and opportunity. Without clear agreed policies there was a risk that requirements could be interpreted differently with inconsistent and potentially costly outcomes.

It was identified that the Government did not have a framework of modern recruitment processes in place to mitigate sufficiently the risk of 'bad hires'. The Government also did not collect and review sufficient information on the effectiveness and efficiency of its recruitment and retention processes. The Government of Jersey had in place Human Resources (HR) dashboards which reported turnover, starters, leavers, sickness absence and some aspects of employee training. Management information systems were not developed sufficiently to ensure data accuracy, report on staff performance (not just completion of staff appraisals), measure training linked to development needs and skills shortages, or to monitor exit survey outcomes, diversity performance and job satisfaction.

<p>The Government recognised the importance of good, strong leadership in delivering high quality services and the need for a skilled, motivated, healthy workforce. It had invested in several leadership programmes over the past few years. It was noted as being essential for the Government to monitor the impact of this programme of investment. Ways in which the impact could be monitored included through the Connected Performance HR system and through the 'Be Heard' survey. Very few staff who had left Government employment were interviewed to ascertain the reasons for leaving. The Government was therefore developing recruitment and retention initiatives with a key piece of information missing.</p> <p>The C&AG made 20 recommendations within the report alongside three areas for consideration and three areas of ongoing work that should be prioritised. It was noted that a complex interaction of economic, demographic, social and political factors impacted on demand for, and supply of, public sector staff. This interaction was even more acute in an Island economy such as Jersey.</p> <p>Some progress was being made to improve the arrangements for workforce planning, recruitment and retention, although it has been recognised by the States Employment Board (SEB) that this was much slower than anticipated and needed to be progressed at pace. Service strategies and operational delivery plans needed to be developed and finalised and linked clearly to workforce and education and training plans. Key elements of routine and good practice that the C&AG would expect to see in place in respect of staff recruitment and retention were not evident across the States.</p>	
<p>7. Procurement by the Government of Jersey</p> <p>The PAC noted that the results of its survey had been circulated and discussed the findings. It was agreed that Officers would provide further narrative around the results for discussion ahead of the drafting of the PAC's report.</p> <p>It was noted that a further letter was due to be sent to the Director for Commercial Services requesting clarification on areas relevant to the review and that questions that were not able to be asked during the hearing with the Chief Information Officer earlier in the meeting would also be sent in writing.</p>	<p>AH</p> <p>AH/JB</p>
<p>8. Handling and Learning from Customer Feedback and Complaints</p> <p>The PAC noted that its report 'P.A.C.1/2025 Handling and Learning from Customer Feedback and Complaints' had been presented on Friday 14th March 2025. It was also noted that an Executive Response had been requested and was due to be received by Wednesday 30th April 2025.</p>	<p>AH</p>
<p>9. Arm's Length Organisations, Grants and Subsidies</p> <p>The PAC recalled that it had previously approved its Terms of Reference and Scoping Document for the proposed review and that these had been shared with the Scrutiny Liaison Committee for final approval. Subject to this approval, it was expected that the review would be launched by Friday 4th April following the conclusion of the next States meeting. The Officer also advised that the Terms of Reference would be sent to the Chief Executive in advance of the review launch and draft questions for stakeholders were currently being developed.</p>	<p>AH</p>

10. Future Meetings	
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<p>The PAC noted that its next scheduled meeting was due to take place at 12:30pm on Wednesday 16th April in the Blampied Room, States Building. It was, however, noted that the meeting fell during the Easter school holidays and the PAC would seek advice from the Chair as to whether the meeting would be required.</p>	
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