

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY THE DEPUTY OF ST. JOHN
ANSWER TO BE TABLED ON TUESDAY 8TH MARCH 2016**

Question

Following the recent publication of the Comptroller and Auditor General's report 'Review of Financial Management – Part 2' (R.19/2016), will the department be carrying out a full review of the finance function across the States of Jersey? If so, how will the review be undertaken? Will it require engagement from a consultant or advisor and would the Minister also provide a target date for the completion of any such review?

Answer

It is important to recognise that good financial management is not simply the function of finance staff but is the responsibility of all those staff with financial management responsibilities.

The Minister is informed by the Treasurer of the States that the recommendations from the Comptroller and Auditor General's report 'Review of Financial Management – Part 2, have been discussed at the Finance Advisory Board. The Treasurer of the States and the Finance Advisory Board support the recommendations and recognise that there is good practice in some aspects of financial management in some departments but also recognise that good practice needs be in place across all departments in a consistent and robust manner.

In January 2016, before the publication of the Comptroller and Auditor General's report 'Review of Financial Management – Part 2', the Finance Advisory Board had identified the need to undertake a review of financial management against a recognised best practice model and had selected the National Audit Office Financial Maturity model.

The proposed programme of work will require a Programme Board (PB) and Project Team. It will also establish an on-going continuous improvement programme that will include periodic assessment of practice against the model.

The programme will comprise four main stages:

- 1.0 Assessment and gap analysis – Q2-Q3 2016
- 2.0 Preparation of 12 month Development Plan – Q2-Q3 2016
- 3.0 Implementation of Development Plan – Q2/3 2016 to Q2 2017
- 4.0 Post Implementation Review and Preparation of Continuous Development Plan – Q3 2017

It is proposed that a Board is set up to oversee the programme comprising a sub group of the Finance Advisory Board, chaired by the Treasurer.

A Project Team will be established with individuals from across the finance function (Treasury and Departments) who will be responsible to the Board for implementing the development plan.

The review will examine expert advice previously obtained. However, it is likely that further advice will be needed to assess the function against the best practice model. In light of the Comptroller and Auditor General's most recent report the current terms of reference for the review are being assessed to ensure they address relevant issues raised in that report.