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# **STATES OF JERSEY**



## **ANNUAL REPORTING (R.157/2022): EXECUTIVE RESPONSE**

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**Presented to the States on 6th April 2023  
by the Public Accounts Committee**

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**STATES GREFFE**

## FOREWORD

In accordance with paragraphs 69-71 of the [Code of Practice](#) for engagement between ‘Scrutiny Panels and the Public Accounts Committee’ and ‘the Executive’, the Public Accounts Committee presents the Executive Response to the Comptroller and Auditor General’s Report entitled: [Annual Reporting \(R.157/2022\)](#) presented to the States on 9th November 2022.

The Public Accounts Committee has addressed recommendations arising from this report within its own review of the States Annual Report and Accounts 2021 and will further consider how the recommendations have been implemented within its review of the States Annual Report and Accounts 2022.

**Deputy L. Feltham**

Chair, Public Accounts Committee

**Chief Executive and Treasurer of the States response to C&AG Review: [‘Annual Reporting’](#)**

Summary of response:

The Chief Executive and Treasurer welcome the report of the C&AG and, in particular, the consolidation of previous and current recommendations into a manageable set, against which we can plan progress and monitor achievement. We also acknowledge the helpful actions of the C&AG herself to promote improvement in reporting through her workshops and one-to-one meetings with bodies. However, we recognise that there is a role for the States and Government in promoting the desired improvement. We share that desire and have set out below our specific proposals.

Action Plan

Recommendations	Action	Target date	Responsible Officer
<p><b>R1</b> Finalise and set out minimum requirements for annual reports and accounts for States established and States controlled entities. In doing so, consider:</p> <ul style="list-style-type: none"> <li>• setting out different requirements depending on the nature and size of entities</li> <li>• specifying minimum requirements for reporting on performance, accountability and finances</li> <li>• requiring specific disclosures of remuneration of directors and staff</li> <li>• for entities required to publish financial statements:               <ul style="list-style-type: none"> <li>○ specifying the accounting framework; and</li> <li>○ specifying the degree of independent assurance</li> </ul> </li> </ul>	<p>Accept. This is a complex piece of work (hence the longer target date), but one which we recognise the importance of in terms of accountability and transparency for the wider public sector. The work will require initial collaboration between the Treasury and Cabinet Office, followed by work with several departments. The likely stages are:</p> <ul style="list-style-type: none"> <li>• Establish the boundary of the entities to be addressed. The most tightly drawn definition is that used by the C&amp;AG of “States established and States controlled entities”. This is likely to be adopted by the States. (by 30th June 2023)</li> <li>• Identify which Accountable Officer holds lead responsibility for the relationship with each of the bodies, and include this in the Accountable Officer appointment letters issued by the Principal Accountable Officer. (by 30th June 2023)</li> <li>• Establish which minimum requirements will apply to which bodies. This will be the most time- consuming phase. It is important that requirements set out are proportionate to risk,</li> </ul>	<p>31<sup>st</sup> March 2024</p>	<p>Group Director, Strategic Finance, Treasury and Exchequer</p>

<p>that should be provided over the financial statements; and</p> <ul style="list-style-type: none"> <li>for all entities, setting out the requirements for making the annual report and accounts public.</li> </ul>	<p>and the resources available to the body concerned. This is not as straightforward as setting a simple financial threshold, either in terms of annual expenditure or the extent of States funding. (by 31<sup>st</sup> December 2023)</p> <ul style="list-style-type: none"> <li>Introduce requirements into the Public Finances Manual for relevant Accountable Officers to take steps to ensure that the bodies for which they hold a lead relationship meet the minimum standards set out. (by 31<sup>st</sup> March 2024)</li> <li>Monitor whether minimum standards set out are being met by the bodies concerned. (ongoing, will form part of Business as Usual)</li> </ul> <p>It may be that this work identifies further steams, for example there may be a need to provide support to States established and States controlled entities for them to meet reporting requirements.</p> <p>The target date is a target designed to drive progress, rather than a guarantee of delivery by that date. Once the process is established it should accommodate relatively easily any further additions or changes to the group of States established and States controlled entities.</p>		
<p><b>R2</b> Introduce a requirement for Statistics Jersey to produce an annual report.</p>	<p>Accept. The Statistics and Census (Jersey) Law 2018 enables Statistics Jersey to act independently to ensure the integrity of statistical reporting. Statistics Jersey is a professionally independent part of the wider Cabinet Office and it's financial and performance reporting is therefore within scope of the Government of Jersey's Annual Report and Accounts.</p> <p>As reported previously, a 2021 Steering Group chaired by Deputy Morel set out a vision for changes to the</p>	<p>During 2024</p>	<p>Chief Statistician and Director of Statistics and Analytics, Cabinet Office</p>

	<p>Statistics Law including making the Chief Statistician a Corporation Sole. The vision was consulted on during autumn 2021; the results of the consultation have now been published <a href="#">Statistics and Census (Jersey) Law 2018: Proposed Amendments - Consultation Feedback (gov.je)</a>.</p> <p>In her letter to the Minister for Economic Development, Tourism, Sport and Culture, the Chief Minister asked him to complete ‘the legislative work to preserve the independence of Statistics Jersey’. It is hoped that this legislation will be progressed during 2023.</p> <p>If legislation to give effect to the proposals in the vision document are approved by the States Assembly, then Statistics Jersey will produce an annual report in line with the C&amp;AG’s recommendations.</p>		
<p><b>R3</b> Set out a public ambition and timetable for the production of a States of Jersey annual sustainability report. In doing so, consider:</p> <ul style="list-style-type: none"> <li>• the Jersey Performance Framework and the Taskforce on Climate-Related Financial Disclosures (TCFD) recommended disclosures</li> <li>• whether the sustainability report should form part of the States of Jersey Annual Report and Accounts or be a separate report</li> <li>• publishing targets alongside actual performance and comparative data with other</li> </ul>	<p>Accept – by end Q2 2023 we will set out our public ambition and timetable and will consider the factors set out.</p>	<p>End of June 2023</p>	<p>Director of Delivery and Improvement, Cabinet Office</p>

<p>jurisdictions where this is available; and</p> <ul style="list-style-type: none"> <li>the degree of independent assurance that should be provided over the data contained within the sustainability report.</li> </ul>			
<p><b>R4</b> Set out minimum requirements for sustainability reporting by States established and States controlled entities. In doing so, consider how to apply the Jersey Performance Framework and the TCFD recommended disclosures.</p>	<p>Accept – we will support the ALBOB work programme to develop proportionate minimum requirements for sustainability reporting by States established and States controlled entities</p>	<p>End of June 2023</p>	<p>Director of Delivery and Improvement, Cabinet Office</p>
<p><b>R5</b> Continue to improve annual reporting. In doing so, consider:</p> <ul style="list-style-type: none"> <li>any minimum requirements set out by the States of Jersey</li> <li>how to improve reporting on performance, accountability (including director and staff remuneration) and finances</li> <li>how to use an appropriate framework to improve sustainability reporting; and</li> <li>other good practice identified in this report and my Good Practice Guide.</li> </ul>	<p>Accept and close. This recommendation is for all entities. Actions by the States in relation to States established and States controlled entities are set out in the response to R1 of this report. Actions in relation to the States' own Annual Report and Accounts are set out in the response to R3 of this report.</p>	<p>N/A</p>	<p>N/A</p>

Recommendations not accepted

Recommendation	Reason for rejection
None	