



# Corporate Services Scrutiny Panel

## Review of Jersey's Overseas Aid Commission: Report on Progress



Presented to the States on 1st March 2010

S.R.3/2010

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## 1. CHAIRMAN'S FOREWORD

Undertaking reviews of previous reports is a fundamental component of Scrutiny. Bearing this in mind, I think that following up recommendations is important. This report investigates the progress of the Jersey Overseas Aid Commission in Jersey since it was last reviewed in 2007 (S.R11/2007).

On behalf of the Panel, we praise the work the Commission carries out and we are aware that currently these are difficult times financially. It is fair to say that with any organisation there is always room for improvement, and the Panel and I hope that the recommendations in this report make a positive contribution to the effective running of the Commission.

A handwritten signature in black ink, appearing to read 'S. C. Ferguson', with a stylized flourish at the end.

Senator S. C. Ferguson,  
Chairman of the Corporate Services Scrutiny Panel.

## **2. EXECUTIVE SUMMARY**

The Corporate Services Scrutiny Panel has reviewed S.R11/2007 to identify what action, if any, has been taken in response to the recommendations made within the report. The Panel's main objective whilst carrying out this review was to advise the Jersey Overseas Aid Commission of the Panel's conclusion in relation to any actions taken, by way of this report.

The Panel received an update from the Chairman of the Jersey Overseas Aid on the work undertaken to S.R11/2007, in the form of a Public Hearing on the 28th October 2009. During the review we felt that, whilst significant changes since the previous review were apparent, more could be done to enhance the emphasis on Jersey's role in administering aid to developing countries and indeed countries in need. We would welcome additional publicity for Jersey.

As a Panel we feel that it is important to investigate and follow up recommendations made in previous reports. Furthermore, we endorse the work of the Jersey Overseas Aid Commission and recognise the importance of such an organisation.

### **3. KEY FINDINGS AND RECOMMENDATIONS**

#### **KEY FINDINGS**

- 3.1** The Panel noted that the issue of accountability had not yet been resolved. However, it agreed that the Commission had taken considerable action in order to try to resolve the situation.
- 3.2** The Panel noted the previous Sub-Panel's recommendation that the States should adopt a definite time frame with interim targets in achieving 0.7% of GNI (Gross National Income). The Panel recognises that there are currently financial constraints that will delay this.
- 3.3** The Panel believes that entering into meaningful partnerships with local charities would help raise awareness of development issues in the Island and would also help to increase the Island's 'ownership' of projects undertaken in developing countries.
- 3.4** The Panel noted that the Commission does not use the Island's links with the Commonwealth Parliamentary Association.
- 3.5** The Panel believes that the Commission should positively expand its role in terms of public relations.
- 3.6** The Panel noted that there had been no significant changes to the Commission's website since the Sub-Panel's presentation of S.R11/2007.

## RECOMMENDATIONS

- 3.7** The Panel recommends that the issue of accountability is the subject of additional investigation as soon as possible, as it is not appropriate for large sums of public money to fall outside the normal methods for ensuring accurate financial responsibility and accountability.
- 3.8** The Panel recommends that the 0.7% GNI target should remain a priority for the Commission. The Panel accepts that the achievability of this target will be dictated by financial circumstances.
- 3.9** The Panel supports the efforts of the Commission's Chairman to enter into meaningful partnerships with local charities; however, it recommends that the Commission extends its work with local charities because local charities do not have as much formal structure as the larger agencies. The Panel believes this would also improve accountability.
- 3.10** The Panel strongly feels that there would be great benefit in the Commission carrying out an audit of a project funded through its local grant aid budget. Furthermore, the Panel recommends that an audit should be carried out on an annual basis.
- 3.11** The Panel recognises the positive image that a plaque denoting Jersey's Overseas Aid work would project but it strongly recommends that more could be done to emphasise Jersey's role in helping and administering aid to countries in need.
- 3.12** The Panel recommends that the Commission's current website should be overhauled as a matter of priority, with a view to increasing community awareness of the Commission and its work.

## **4. INTRODUCTION**

### **4.1 Rationale**

In 2007, the previous Corporate Services Panel formed a Sub-Panel and undertook a review relating to Jersey Overseas Aid. The Report *Review of Jersey's Overseas Aid* (S.R.11/2007) was presented to the States on 30th May 2007. The Panel agreed to follow up the recommendations under Paragraph 11.18 of the Code of Practice for Scrutiny Panel's and the Public Accounts Committee.

The main focus of the Panel's review was to consider the Jersey Overseas Aid Commission's progress since the previous Sub-Panel's report. The Panel considered the recommendations made in the previous report and undertook a small review to find out whether any of these had been implemented.

In order to determine what improvements had been made consequent to the previous Sub-Panel's report, the Panel agreed to explore the following areas: financial management; the way in which applications are processed; and how the Commission has incorporated public relations into its priorities

### **4.2 Background: Jersey Overseas Aid**

On the 16th March 2005, the States adopted the Jersey Overseas Aid Commission (Jersey) Law 2005, which resulted in the Jersey Overseas Aid Commission (JOAC), formed in 2006. The Commission currently consists of three States Commissioners, and three Non-States Commissioners.

### **4.3 Public Hearing**

The Panel received Deputy Ian Gorst, Chairman of Jersey Overseas Aid Commission (JOAC), for a Public Hearing on Wednesday 28th October 2009. Other Commissioners who attended the Public Hearing were:

- Senator Paul Routier (Commissioner)
- Deputy Carolyn Labey (Commissioner)
- Geoffrey Crill (Commissioner)
- Kathryn Filippini (Executive Officer)

## 5. FINANCIAL MANAGEMENT

### 5.1 Accountability

Currently, because the Commission has been established outside the executive structure of government, and is therefore not a department of the States, which falls within the Public Finance Law, it does not have an Accounting Officer of its own. The present structure of the Commission therefore raised issues regarding accountability.

During the last review, the Treasury and Resources Department compiled a paper to address the accountability issue. It presented two options:

- Return to the States and establish the Overseas Aid Commission as a States-funded body under the terms of the Public Finances (Jersey) Law 2005;
- Allocate responsibility for the grant to the Overseas Aid Commission to an existing Minister/Department: in other words, define the Commission as a States-aided independent body.

During the Hearing the Chairman of the Commission outlined three possible options that the Commission had explored, since the Sub-Panel's last review.

#### **Deputy I.J. Gorst**

*"...initially we thought we could address it by sitting within the States Assembly role and having perhaps the Greffier as our Accounting Officer.....[however] That has not found favour with the States Assembly department..."<sup>1</sup>*

#### **Deputy I.J. Gorst**

*"...perhaps we could just have our executive officer become employed by the States and become the Accounting Officer..... [however when the Commission approached Human Resources with a job description to upgrade the existing Executive Officer] ...we provided a job description of the particular post, they did their HAY Evaluation upon that job description and felt that there was no requirement for an increased grade."<sup>2</sup>*

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<sup>1</sup> Transcript of Public Hearing, 28th October 2009, p.7

<sup>2</sup> Transcript of Public Hearing, 28th October 2009, p.7

**Deputy I.J. Gorst**

*“...of becoming a States funded body. That unfortunately would mean we have to sit within a Ministerial Department. It would mean that the Minister has some element of control over the budget...”<sup>3</sup>*

The States of Jersey apply the HAY Job Evaluation Scheme to determine the relative size of jobs within the Civil Service. The Job Evaluation technique is used to establish the relative weight or difficulty of job content. Appeals against evaluation results are heard by a representative group of Civil Servants who have been trained as HAY Evaluators.<sup>4</sup> The Panel hopes to review the HAY Evaluation and suggests that the Human Resources Department reconsiders the decision that was made regarding the JOAC job description.

The Panel noted that the issue of accountability had not yet been resolved. However, it agreed that the Commission had taken considerable action in order to try to resolve this situation. Whilst praising the Commission for the work that had been carried out, the Panel recommends that accountability requires additional investigation as soon as possible, as it is not appropriate for large sums of public money to fall outside the normal methods for ensuring accurate financial responsibility and accountability.

**Key Finding**

The Panel noted that the issue of accountability had not yet been resolved. However, it agreed the Commission had taken considerable action in order to try to resolve the situation.

**Recommendation**

The Panel recommends that the issue of accountability is the subject of additional investigation as soon as possible, as it is not appropriate for large sums of public money to fall outside the normal methods for ensuring accurate financial responsibility and accountability.

**5.2 Funding – 0.7% Gross National Income**

In its report, the previous Sub-Panel recommended that the Commission should progress the formation of a group set up to establish how the Island could aim to reach a target of

<sup>3</sup> Transcript of Public Hearing, 28th October 2009, p.8

<sup>4</sup> HAY Evaluation System, Section B1 Policy Manual, March 2008

0.7% of GNI. During the Public Hearing the Panel heard that the target of 0.7% GNI had not been reached, with the actual figure currently standing at 0.18%.<sup>5</sup>

**The Connètable of Grouville:**

*“How much would it cost us if we achieve 0.7?”*

**Deputy I.J. Gorst**

*“...I am not sure if it is 7 or 8 but we are roughly in the area of about £26 million if we were to be 0.7.”*

**The Connètable of Grouville:**

*“How much is it at the moment?”*

**Deputy I.J. Gorst**

*“It is 7.7... [Current spending of £7.7 million]”*

**The Connètable of Grouville:**

*“We are only at 25 per cent of what you would like to see, yes?”*

**Deputy I.J. Gorst**

*“Yes. It is a substantial increase.”*

The Panel accepts that a working party was set up to establish how the Island could aim to reach 0.7% of GNI target but submissions made during the Hearing that this work did not achieve what was originally intended:

**Deputy I.J. Gorst**

*“.....it did not necessarily come up with any conclusion on how we might get there because at the time we were about to go through the changes to Zero/Ten. We were about to introduce G.S.T and I think it was generally felt that it was probably not the right time to extend or enter into a formula-based approach to get to the 0.7.”<sup>6</sup>*

The Panel fully endorses that the Commission formed a working group to explore the issues surrounding how the 0.7% GNI target could be achieved. It also accepts that, with the implementation of G.S.T and Zero/Ten, it may not have been the most convenient time to enter into a formula-based approach.

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<sup>5</sup> Transcript of Public Hearing, 28th October 2009, p.2

<sup>6</sup> Transcript of Public Hearing, 28th October 2009, p.3

The Panel noted the previous Sub-Panel's recommendation that the States should adopt a definite time frame with interim targets. It also recommended that the States commit to contributing 0.7% of GNI to overseas aid. Any increase in overseas aid should be a real increase in funding, on top of any inflationary increases per year.<sup>7</sup>

During the Hearing the Panel was told that the Commission had corresponded with the Treasury and Resources Department to determine an appropriate time frame to achieving the 0.7% GNI target.

**Deputy I.J. Gorst**

*“So what we did at that point was we said we would have or it was agreed by the then chairman that we would have so much money per annum added to our budget. In actual fact it was £1 million and then going forward it will be £500,000. What we, as a Commission, agreed this year but with Treasury, was that yes we would accept that formula as proposed by the then chairman but during the course of early 2010 we would develop hopefully a formula to get there.”<sup>8</sup>*

The Panel looks forward to the formula the Chairman mentioned, which is planned for 2010. The Panel agrees that the 0.7% GNI target should remain a priority for the Commission, therefore the Commission should commit to achieving this universally accepted goal.

**Key Finding**

The Panel noted the previous Sub-Panel's recommendation that the States should adopt a definite time frame with interim targets in achieving 0.7% of GNI (Gross National Income). The Panel recognises that there are currently financial constraints that will delay this.

**Recommendation**

The Panel recommends that the 0.7% GNI target should remain a priority for the Commission. The Panel accepts that the achievability of this target will be dictated by financial circumstances.

<sup>7</sup> Review of Jersey's Overseas Aid (S.R.11/2007), p.9

<sup>8</sup> Transcript of Public Hearing, 28th October 2009, p.3

## 6. APPLICATIONS

### 6.1 Applications for Funding

In its report, the previous Sub-Panel recommended that the Commission should introduce a more formal and transparent system against which agencies applying for funding could be assessed.

There was an apparent lack a lack of evidence that the Commission had introduced a more 'transparent' system, although the Chairman of the Commission said:

#### **Deputy I.J. Gorst**

*"I think we have got a fairly robust process in place for how we analyse applications. As you know, it is basically for grant aid we have a list of agencies that we have done our due diligence on, we have checked their governance, we check their accounts every year and we take comfort from that fact.....basically for grant aid we have a list of agencies to provide us with application for specific projects."<sup>9</sup>*

The Panel noted that it was not clear during the Public Hearing whether the JOAC had adopted a standardised system against which agencies applying for funding would be assessed. The previous Sub-Panel found that adopting a standardised system would be beneficial because, if made public, it would ease the application process, and would also provide comprehensive feedback to agencies unsuccessful in securing funding from the Commission.

The previous report recommended that the JOAC should revisit its policy on £ for £ grants to local charities as a matter of priority, with a view to implementing partnership approaches with local charities. The Panel heard from the Chairman of the Commission that more money had been set aside for local charities:

#### **Deputy I.J. Gorst**

*"...We set more money aside for local charities because we wanted to try and encourage them to make pound for pound applications. We had seen an increase in 2008. We knew that 2009 was perhaps going to be a difficult year for local charities to*

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<sup>9</sup> Transcript of Public Hearing, 28th October 2009, p.9

*raise money as well, and therefore you wanted to have more available for them on a pound for pound matching basis.<sup>10</sup>*

## **6.2 Partnerships with Charities**

During its review in 2007 the previous Sub-Panel observed that there were significant opportunities for the Commission to enter into meaningful partnerships with local charities. It strongly recommended that the Commission should revisit its policy on £ for £ grants to local charities, with a view to implementing partnership approaches with local charities.

The Panel noted during the Hearing that the Commission is more active in supporting Jersey charities:

### **Deputy I.J. Gorst**

*“...in 2007 I think the budget for local charities pound for pound was £50,000. We have doubled that to £100,000.....I have made a conscious effort since becoming Chairman to be much more involved with local charities”.*

Although the Panel fully endorses the fact that the Commission has changed how the application of funds is applied, it is still unclear whether the Commission enters into formal joint ventures with local charities:

### **Deputy I.J Gorst**

*“In some ways, we have not changed the way we assess applications in a formal approach. What we have done is looked at the amounts of money that we are setting aside for each type of application”<sup>11</sup>*

The Panel believes that entering into meaningful partnerships with local charities would help to raise awareness in the Island of development issues, and would also help to increase the Island’s “ownership” of projects undertaken in developing countries, which was also noted in the previous Sub-Panel’s report. The Panel suggests that meaningful partnerships with local charities should be a priority because local charities do not have as much formal structure as the larger agencies. This would also improve accountability.

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<sup>10</sup> Transcript of Public Hearing, 28th October 2009, p.9

<sup>11</sup> Transcript of Public Hearing, 28th October 2009, p.9

**Key Finding**

The Panel believes that entering into meaningful partnerships with local charities would help raise awareness of development issues in the Island and would also help to increase the Island's 'ownership' of projects undertaken in developing countries.

**Recommendation**

The Panel supports the efforts of the Commission's Chairman to enter into meaningful partnerships with local charities; however, recommends that the Commission extends its work with local charities because local charities do not have as much formal structure as the larger agencies. The Panel believes this would also improve accountability.

### 6.3 Commonwealth Parliamentary Association

In its last report the Sub-Panel made recommendations relating to the manner in which the Commission measured the effect of utilisation of its budget. In particular, it recommended that the JOAC should consider the possibility of using the Island's links with the Commonwealth Parliamentary Association to assist with the monitoring of projects funded by the Commission. Furthermore, the report suggested that an audit of one project be undertaken each year.

The Panel noted during the Hearing that the JOAC does not use the Island's links with the Commonwealth Parliamentary Association:

**Deputy I.J. Gorst**

*"I know it was something that was in the report and it is not something that we have discussed again as a Commission...."*<sup>12</sup>

**Mr G. Crill**

*"There is not a formalised structure of the Commission investigating projects on its own, if you like, with an audit procedure"*<sup>13</sup>

The Panel strongly feels that there would be great benefit in the JOAC carrying out an annual audit of a project funded through its local grant aid budget. Distributing its grant aid

<sup>12</sup> Transcript of Public Hearing, 28th October 2009, P. 14

<sup>13</sup> Transcript of Public Hearing, 28th October 2009, P. 15

in such a way would, the Panel believes, be funds well spent and it would indicate that the Commission is taking accountability seriously. Furthermore, it reiterates the Sub-Panel's previously mentioned recommendation that an audit should be carried out on an annual basis.

### **Key Finding**

The Panel noted that the Commission does not use the Island's links with the Commonwealth Parliamentary Association.

### **Recommendation**

The Panel strongly feels that there would be great benefit in the Commission carrying out an audit of a project funded through its local grant aid budget. Furthermore, the Panel recommends that an audit should be carried out on an annual basis.

## **7. PUBLIC RELATIONS**

### **7.1 Raising Awareness**

In the previous Sub-Panel's report it was recommended that the Commission should positively expand its role in terms of public relations and place a far greater emphasis on raising awareness amongst Islanders of overseas aid development issues.

The Panel was told during the Hearing of the Chairman of JOAC's progress in emphasising the work the Commission carries out in terms of public relations:

#### **Deputy I.J. Gorst**

*"As I said earlier one of my priorities since becoming chairman has been to raise the profile and I felt that that was best done liaising and building relationships with local charities, primary the One World group because that is an umbrella organisation for a number of charities.....I have tried to get more press coverage"<sup>14</sup>*

The Panel also heard that the Overseas Aid Commission have asked agencies to put plaques wherever the Commission's work has taken place:

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<sup>14</sup> Transcript of Public Hearing, 28th October 2009, p.16

**Deputy I.J. Gorst:**

*“We have asked agencies to put a little plaque.... [stating] ‘donated by the people of the Island of Jersey’”<sup>15</sup>*

The Panel acknowledged the positive image that a plaque denoting Jersey Overseas Aid work would project about the Commission’s work; however, the Panel believes more could be done to emphasise Jersey’s role in helping and administering aid to countries in need.

**Key Finding**

The Panel believes that the Commission should positively expand its role in terms of public relations.

**Recommendation**

The Panel recognises the positive image that a plaque denoting Jersey’s Overseas Aid work would project but it strongly recommends that more could be done to emphasise Jersey’s role in helping and administering aid to countries in need.

**7.2 Jersey’s Overseas Aid Commission: Website**

The previous Corporate Services Panel highlighted the need to progress with the Jersey Overseas Aid website. The previous Sub-Panel recommended that the current website be overhauled as a matter of priority, with the ultimate aim of it becoming the main source of information for members of the public. It appeared during the Hearing that there have been no changes to the website:

**Deputy I.J. Gorst:**

*“...[when] the Scrutiny Panel did their initial report, the website had not been up very long but as was the nature in those days with websites no sooner had you got it up and running then it appears old-fashioned and out of date. Now it is looking a bit tired and we have seen the advent of blogging and twittering..... [this] would be a fantastic way of communicating with the local community about what is happening.”<sup>16</sup>*

The Panel agreed that because no changes have been made to the website, this should be taken as a matter of priority because it would enable the community to be aware of the Commission and its work.

<sup>15</sup> Transcript of Public Hearing, 29th October 2009, p.10

<sup>16</sup> Transcript of Public Hearing, 28th October 2009, p.17

If the Commission uploaded all relevant literature including reports from volunteers on projects and minutes of its meetings, it would greatly improve access for individuals wishing to make applications to the Commission for funding and therefore would help to improve transparency.<sup>17</sup>

During the Hearing the Panel learned that the Commission is currently working with local schools to encourage awareness of the JOAC and the work it does:

**Deputy I.J. Gorst:**

*“...Le Rocquier have got a link-up with a project in Mongolia and, as you know, we sent a...team out to Mongolia this year<sup>18</sup>.”*

The Panel accepts that this is a positive aspect for raising awareness of the Commission’s work amongst Islanders. However, the Panel believes that greater emphasis should be put on public relations. The Panel agreed that the JOAC should take steps to educate the public on its work and the difference projects make to developing countries.

**Key Finding**

The Panel noted that there had been no significant changes to the Commission’s website since the presentation of S.R.11/2007.

**Recommendation**

The Panel recommends that the current Commission’s website should be overhauled as a matter of priority, with a view to increasing community awareness of the Commission and its work.

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<sup>17</sup> Review of Jersey’s Overseas Aid (S.R.11/2007), p.8

<sup>18</sup> Transcript of Public Hearing, 29th October 2009, p.18

## **8. CONCLUSION**

The Panel praises the work the Jersey Overseas Aid Commission carries out, but believes there are three main areas that could still be improved on:

### **8.1 Financial Management**

The Panel agrees that the Commission should further explore the options regarding the Accounting Officer. Whilst it appreciates three options have been explored (section 5.1), it notes that the issue has not been resolved.

The Commission has not reached the United Nations recommended level of 0.7% of GNI to overseas aid. The Panel believes that the Commission should focus its efforts on reaching this target in order to reach the universally accepted goal. However, the Panel recognises that this is a significant sum in the context of a financial downturn; estimates of the amount are in the order of some £26 million.

### **8.2 Applications**

The Panel believes that greater clarity is needed on the application process. During the Hearing it appeared the Commission has not implemented a standardised system against which agencies applying for funding could be assessed. Improving this issue would make it clear for charities wishing to proceed with an application for funding, while also improving transparency.

### **8.3 Public Relations**

The Panel appreciates that the Commission has made efforts to educate the community and make the public aware of issues surrounding the Overseas Aid Commission; however, it feels that further improvements could be made in publicising the work that is carried out. In particular, the website could be expanded upon and should become the very important first port of call for anyone wishing to find out more about the Commission. The Panel believes that it would be useful for the Commission to note that the “gov.je” website is developed through a company called C5 Alliance and that for all web designs, C5 Alliance use a company called Web Reality. The Panel suggests that the Commission may wish to consult with the consortium that develops the States of Jersey’s websites.

## **9. APPENDIX 1 – PANEL MEMBERSHIP**

The Corporate Services Scrutiny Panel is comprised of the following members:

SENATOR S.C. FERGUSON, CHAIRMAN

DEPUTY C.H. EGRE, VICE-CHAIRMAN

CONNÉTABLE D.J. MURPHY

DEPUTY T.A. VALLOIS

The previous Corporate Services Panel formed a Sub-Panel in 2007, which was constituted as follows:

SENATOR J.L. PERCHARD, SUB-PANEL CHAIRMAN

CONNÉTABLE J. LE SUEUR GALLICHAN

CONNÉTABLE D.J. MURPHY

CONNÉTABLE S.A. YATES

## 10. APPENDIX 2 – EVIDENCE CONSIDERED

### Public Hearing

28th October 2009

Deputy I.J. Gorst, Chairman, Jersey Overseas Aid

Senator P.F. Routier, Commissioner, Jersey Overseas Aid

Deputy C.F. Labey, Commissioner, Jersey Overseas Aid

Mr G. Crill, Commissioner, Jersey Overseas Aid

Ms K. Filipponi, Executive Officer, Jersey Overseas Aid

A verbatim transcript of the Public Hearing is available on the Scrutiny website ([www.scrutiny.gov.je](http://www.scrutiny.gov.je)).

### Documents

The following documents are available to read on the Scrutiny website ([www.scrutiny.gov.je](http://www.scrutiny.gov.je)).

1. Jersey Overseas Aid Commission Annual Report 2008 (R.77/2009)
2. Review into Jersey's Overseas Aid (SR11/2009)