

12 November 2021

Senator Kristina Moore
Chair
Corporate Service Scrutiny Panel

Via email: K.Moore2@gov.je

Dear Senator Moore

**Changes to the Objects and Purpose of the Ann Alice Rayner Fund
(P.92/2021)**

Thank you for your letter of 8 November 2021. I have reviewed the proposition and undertaken some further enquiries.

Below I set out my observations in the two areas that you identified:

- views on the suggested changes to the Fund; and
- safeguarding measures that will be required to ensure that the Fund operates effectively under its new governance and administration structure.

Suggested changes to the Fund

The key elements of the proposed changes relevant to my functions relate to the new arrangements for the appointment of income administrators. Given the conclusion of the Jurats that they should not continue in this capacity, a change in arrangements was necessary.

The proposed arrangements (pending a wider review) envisage the role being performed by the Jersey Community Foundation, an organisation with experience of performing analogous functions. Given the timescale within which alternative arrangements needed to be developed, the proposed interim arrangement appears an appropriate route to secure the administration of the Fund.

I note in particular:

- the consultation with interested parties, including the Charitable Funds Oversight Board and the Charity Commissioner

- the drafting of a Service Level Agreement between the Treasurer and the proposed income administrator setting out the responsibilities of the parties and providing a clarity not previously available; and
- the continuation of the other elements of the governance arrangements for the Fund, including:
 - preparation of annual accounts
 - agreed upon procedures on those accounts undertaken by internal audit; and
 - oversight by the Charitable Funds Oversight Board.

I recognise that the proposition represents an interim solution and welcome the commitment to a more wide-ranging review with a clear timetable of the governance and administration of charitable and related funds. In my view it would be appropriate to request a commitment to a formal consultation on the outcome of the review.

Measures required to ensure that the Fund operates effectively

I have considered the measures proposed to oversee the work of the income administrator and, in particular, the content of the draft Service Level Agreement to operate for the interim period. Based on my high-level review, I welcome the controls included within this document, in particular:

- the clear statement of the services to be provided
- the obligations imposed on the income administrator to report to the Treasurer of the States, including in respect of the 'success' of awards
- the obligation on the income administrator to use a segregated bank account for funds advanced by the Treasurer of the States
- the obligation on the income administrator to operate a complaints procedure; and
- the rights of access to documents by the Treasurer of the States.

I trust that these observations are helpful. Please contact me if you would like to discuss further.

Yours sincerely



Lynn Pamment
Comptroller and Auditor General