

Accountable Officers for the bodies listed in Schedule 6 of the Public Finances (Jersey) Law 2019

Introduction and background

This section applies to any body listed in Schedule 6 of the Public Finances (Jersey) Law 2019. The list of bodies may be amended by the States Assembly through a Regulation issued by the Minister for Treasury and Resources.

The role of Accountable officer is established under the Public Finances Law.

The Chief Executive Officer of the Council of Ministers is the Principal Accountable Officer, and as such is responsible for the appointment and determining of functions of an Accountable Officer for the following bodies listed in Schedule 6 of the Law:

- Office of the Official Analyst
- Office of the Chief Statistician.

This is to ensure that there is accountability for the best use of public resources. Accountable Officers are answerable to the Public Accounts Committee for their area of responsibility. A full list of Accountable Officers and their areas of responsibility is included in Supporting documents.

If no Accountable Officer is appointed the Principal Accountable Officer remains accountable for the relevant body listed in Schedule 6.

Accountability lies far beyond what is included in the Law. Accountable Officers are personally responsible for managing their area of responsibility efficiently and effectively, and for reporting to the States Assembly accurately and transparently.

The functions of an Accountable Officer may be delegated to another person(s), however, personal accountability for that function remains with the Accountable Officer.

In addition to the guidelines set out in this section, an Accountable Officer of a body listed in Schedule 6 should refer to all other sections of this Manual, as well as other formal policies which are relevant and have been brought to their attention by the Principal Accountable Officer or Treasurer of the States or of which they should be reasonably expected to be aware, and also to the States of Jersey Codes of Practice issued by the States Employment Board.

In addition to the common risks identified in the Background and Introduction section of the manual a number of significant risks relating to this section include:

- the independence and effectiveness of the Schedule 6 listed body is compromised
- there is a gap in responsibility and accountability for any direct and indirectly funded expenditure and income
- Accountable Officers are not fully aware of their legal responsibilities and accountabilities
- an Accountable Officer is unaware of the proper course of action to take if they are directed by the Council of Ministers, the Minister with political responsibility for them or

the Principal Accountable Officer to take action which they feel conflicts with their responsibilities and accountabilities

- the requirements of the States or Government of Jersey cause the Accountable Officer of the body listed in Schedule 6 of the Law to act in a manner contrary to the law under which Schedule 6 body is established
- Accountable Officers fail to exercise the level of budgetary control expected of them

Principles

1. An Accountable Officer for a body listed in Schedule 6 should manage their area of responsibility efficiently and effectively, and report to the States Assembly accurately and transparently. Initiatives and activities should be assessed through the “Accountable Officer lens” to assess whether they meet the four essential standards of:
 - propriety
 - regularity
 - value for money
 - feasibility
2. Where an Accountable Officer makes delegations, delegates should be informed that they bear the same responsibilities as the Accountable Officer for propriety, regularity, value for money and feasibility. The Accountable Officer retains ultimate accountability. Delegations should be regularly reviewed, in particular following organisational changes or staff turnover.
3. Accountable Officers should ensure that there are procedures in place to ensure proper control and assurance frameworks exist throughout their area of responsibility. Internal and external audit findings assess and test internal controls and performance, and these audit findings should be used in conjunction with other measures to continually improve internal controls and performance. The recommendation tracker process should be used to assist in compliance with this principle.
4. Accountable Officers should apply the overarching test of: “Could this course of action be satisfactorily defended in public?” The Nolan Principles are of particular importance to the proper performance of the role.
5. Accountable Officers should work for the common good of the States of Jersey.
6. Accountable Officers should, at all times, aim to comply with the spirit of the Public Finances Manual and their legal accountabilities. If a transaction is clearly just a way around the letter of the rules, then Accountable Officers should follow the spirit of the rules.

Requirements

1. Duties of the Accountable Officer

An Accountable Officer for a body listed in Article 6 of the Law must be aware of the roles and responsibilities set out in their letters of appointment. For all requirements of this manual, where the section stipulates “must” then the instruction must be followed unless an exemption has been approved by the Treasurer of the States, their delegate or the Group Director, Commercial Services as required. If a mandatory requirement has not been followed, and an exemption was not obtained in advance, then a breach must be formally recorded and noted by the Treasurer, their delegate or the Group Director, Commercial Services as required. Where

the Public Finances Manual stipulates “should”, normally in Principles, then it is expected that this approach is taken. Where this is not the case, departments must record and retain evidence (“comply or explain”) where an alternative approach is taken but there is no need to formally record a breach.

2. Budgetary control

Accountable Officers must not exceed the approved sum for the head(s) of expenditure they are responsible for. The effect of Article 15(1) of the Public Finances Law is that only the amount approved by the States Assembly (potentially adjusted by decisions of the Minister for Treasury and Resources or delegate – read ‘Changes to heads of expenditure’ section) can be spent. Any expenditure in excess of the approved amount is effectively unlawful. Where the amount approved for a head of expenditure is dependent upon an estimated level of income, shortfalls in this income have the same effect as overspending.

If, at any time, an Accountable Officer believes they may exceed their approved sum for the head(s) of expenditure they are responsible for they must contact the Treasurer of the States immediately to discuss options available. If a forecast shows a projected overspend the Accountable Officer must, by the end of the following month, provide an action plan to the Group Director, Strategic Finance to bring the forecast back to at least a breakeven position. (The Accountable Officer can include the action plan in the monthly report where the overspend is forecast, if preferred).

Where action plans are failing to deliver the desired improvement in financial position, the Treasurer of the States will consider further actions. These can include:

- recommending to the Minister for Treasury and Resources that this manual be amended to require certain categories of expenditure for the department or project concerned to be subject to specific Treasury approval, with the requirement set out within this manual
- requesting an urgent review by Internal Audit of areas of budgets that are forecast to overspend
- recommending to the Minister for Treasury and Resources that certain elements of the budget concerned are removed and transferred to the Reserve – these are likely to be areas of discretionary spend that are not mandated by Law
- a formal letter from the Treasurer of the States to the Accountable Officer requesting an immediate improvement in financial discipline and management
- requesting the Minister for Treasury and Resources to formally write to the Accountable Officer, potentially copied to the Comptroller and Auditor General and Public Accounts Committee, Officer requesting an immediate improvement in financial discipline and management
- recommending to the Principal Accountable Officer removal of the Accountable Officer designation – to be replaced by an alternative Accountable Officer to be identified by the Principal Accountable Officer or their delegate.

3. Appointment of Accountable Officers

When appointing an Accountable Officer, the Principal Accountable Officer in the letter of appointment must specify any functions expected of individual officers. An Accountable Officer for a Schedule 6 body is responsible to the Principal Accountable Officer, but it is recognised that there may be certain limitations in these responsibilities under laws under which the

Schedule 6 body is established. An Accountable Officer appointment must be in writing and is effective from the date on which the appointed person receives a copy of the notice of appointment, unless otherwise specified in the letter. The Principal Accountable Officer may delegate the function of appointing Accountable Officers. Copies of appointment letters must be sent to the Comptroller and Auditor General, the Treasurer of the States and any Minister who has any legal responsibility for the Schedule 6 listed body. An Accountable Officer must be a States of Jersey employee under the terms of the Employment of the States of Jersey Employees (Jersey) Law.

4. Delegation from the Accountable Officer

When considering delegation, an Accountable Officer must ensure that there are clear lines of control as well as accountability and reporting arrangements. Arrangements for delegation must promote good financial management and governance and should be supported by the necessary staff with an appropriate balance of skills and experiences. Delegations must be recorded in the body's Scheme of Delegation, which must be submitted to the Treasurer of the States for approval. Suggested model Schemes of Delegation for both financial and non-financial delegations are included as guidance within Supporting documents. Any Delegated Officer must be a States' employee under the terms of the Employment of the States of Jersey Employees (Jersey) Law. An exemption must be sought if an Accountable Officer wishes to delegate functions to an individual who is not a permanent or fixed-term employee (i.e. the individual must be paid direct as opposed to through a company).

5. Letters of instruction

If an Accountable Officer is directed by the Council of Ministers, the Minister who has legislative responsibilities for them or the Principal Accountable Officer to follow a course of action which involves a transaction which is considered to infringe the requirements of propriety or regularity; or their wider responsibility to ensure economy, efficiency and effectiveness, the Accountable Officer must set out promptly in writing to the person issuing the direction the reason for the objection, and notify the Principal Accountable Officer and the Comptroller and Auditor General. If a decision is made to go ahead with the course of action the Accountable Officer must request a written instruction to this effect with a copy sent to the Comptroller and Auditor General. In some instances, a Minister (including the Chief Minister) may issue a Letter of Instruction without receiving a written request to do so, if the Minister is aware that his or her wishes are contradicted by previous advice from the Accountable Officer. If the Minister proceeds with a Letter of Instruction this, along with the letter from the Accountable Officer (if any), must be copied to the Comptroller and Auditor General and published on www.gov.je. Publication will be arranged by the Financial Governance team within Treasury and Exchequer, and can redact personal or commercially sensitive data. If the course of action is followed, the Public Accounts Committee should be expected to recognise that the Accountable Officer bears no personal responsibility for the action. The acid test is whether the Accountable Officer could justify the proposed activity if asked to defend it.

It is not possible to instruct an Accountable Officer to act in a way which is unlawful, including exceeding an approved head of expenditure without a lawful basis. If a Minister instructs an Accountable Officer to do (or not do) something which would, all other things being equal, result in an approved head of expenditure being exceeded, the Accountable Officer must set out in writing to the Minister the compensating measures the Accountable Officer is proposing to take to remain within the approved head of expenditure. If the Minister agrees, by letter, that those measures are acceptable then the original instruction can be followed. If the Minister

does not agree the proposed compensating measures, the Minister must set out in writing what alternative compensating measures should be taken. Until such time as the Minister has either agreed the compensating measures, or specified alternative compensating measures, then the original instruction need not be followed, and no disciplinary action should follow against an Accountable Officer who declined to act in accordance with that instruction. All such letters must be copied to the Comptroller and Auditor General.

6. Financial management

An Accountable Officer must ensure that there is a standard of financial management in their area of responsibility which meets or exceeds the requirements of the States of Jersey Financial Reporting Manual and the Public Finances Manual.

The Treasury will review departmental and project forecasts. Where they believe that a forecast may not be accurate the Treasury can request clarification and further forecasts. If this is the case the Accountable Officer must provide confirmation that the forecast is considered to be accurate, or a re-forecast, to the Treasury within 5 working days of the request being made.

7. Provision of information

When requested, the Accountable Officer must provide adequate, timely and accurate financial information and evidence to the Council of Ministers, Minister for Treasury and Resources, Principal Accountable Officer, Treasurer, Public Accounts Committee, Comptroller and Auditor General and Scrutiny Panels in the appropriate format and to the relevant timescales. Accountable Officers must be ready to respond to all questions or queries and obtain relevant support in terms of evidence from other appropriate staff. Accountable Officers must ensure provision of details of any errors or omissions to the Public Accounts Committee or Scrutiny Panels is done as soon as reasonably practical.

8. Staff awareness

Accountable Officers must put arrangements in place to ensure, as far as is reasonably possible, that all staff in their area of responsibility are aware that they are responsible for public money and that high standards are expected of them. This includes actively promoting training on the Public Finances Manual offered by the Treasury.

9. Stewardship

Accountable Officers must operate effective stewardship of assets they control and safeguard and must ensure that they are effectively checked and discrepancies investigated and reported on.

10. Risk management

An Accountable Officer must ensure that an appropriate approach to risk management is followed throughout their area of responsibility and that systems are in place to identify and manage these risks. Specifically, an Accountable Officer must take into account the States of Jersey's Risk Management Strategy and Guidelines.

11. Prudence

An Accountable Officer must promote prudence and the economic, efficient and effective use of all resources at all times, in particular by ensuring, as far as is reasonably possible:

- the prevention and detection of fraud, error and wasteful practices as well as correcting them as appropriate
- the establishment and maintenance of sound systems of internal control that support the achievement of the set policies, aims and priorities. The systems of internal control are designed to respond to and manage the whole range of risks that a body faces
- that financial systems and procedures promote the efficient and economical conduct of business.

12. Expenditure

Accountable Officers must ensure that expenditure is a proper and acceptable charge on public funds and that all items of expenditure are dealt with in accordance with the States Assembly's intentions for the public funds for which they are responsible

13. Income

Accountable Officers must ensure that adequate systems and checks exist to ensure that all income, as far as is practical, is collected and promptly banked into the appropriate States bank account(s).

14. Governance Statement

(read section within this manual on Governance Statements) At each financial year end, an Accountable Officer must sign the relevant annual accounts and the Governance Statement for their area(s) of responsibility. In signing these documents, the Accountable Officer is acknowledging the basis on which they believe their responsibilities have been properly discharged:

- the Governance Statement must record and confirm that the necessary controls have been instituted and that, where weaknesses are acknowledged to exist, the necessary improvements in control have been arranged
- signing the Accounts effectively means that the Accountable Officer accepts personal accountability for the information contained in the accounts as well as the nature of all transactions and agrees that they are in the format prescribed by the States Treasurer

Accountable Officers must forward completed Governance Statements and Accounts to the Treasurer of the States or their delegate. The Treasurer of the States must discuss matters arising from submitted Governance Statements with the Principal Accountable Officer prior to submission of the Annual Report and Accounts for audit. Full details of an Accountable Officer's remuneration will be published as part of the annual Financial Statement.

Where there is a change of Accountable Officer during a year the outgoing officer should prepare an interim Governance Statement or handover letter that the incoming incumbent can place reliance on when preparing their own statement. If this is not possible the incoming Accountable Officer should seek assurances from relevant senior departmental managers for the period in question.

15. Responsibility for Funds

In instances where an Accountable Officer has responsibility for a States Fund, Trust Fund, or Government of Jersey income, they must ensure that the relevant legislation and States Assembly approvals are followed as well as those general responsibilities listed in this manual. The same standards of financial management must be applied to Funds as for Government Plan-approved departmental and project expenditure.

16. Availability

An Accountable Officer must ensure that they are generally available for consultation but in periods of absence, annual leave or sickness they must ensure that there is another senior officer who can act on their behalf. This should be documented in the relevant Scheme of Delegation. In exceptional circumstances, and where an Accountable Officer will be incapacitated for a period of four weeks or more, the Principal Accountable Officer must be notified.

17. Annual Reporting

Each body listed in Schedule 6 of the Law must present an appropriate Annual Report which must include a performance report, an accountability report and details of the body's financial statements and any other information set out in the legislation which established a body listed in Schedule 6 of the Law to the relevant Minister responsible for them. This information must be available in sufficient time for them to be presented to the States Assembly within 5 months of the relevant year end.

The Comptroller and Auditor General has produced a Good Practice Guide on Annual Reporting which provides advice on the content and format of Annual Reports which bodies listed in Schedule 6 must take cognisance of.

18. Conflicts of interest

Newly appointed Accountable Officers must declare any reportable conflicts of interest immediately on appointment if they have not previously done so. Any conflicts which arise after appointment must be declared immediately. This information is important to manage risks and to ensure proper reporting or related party transactions in the Annual Report and Accounts.

Accountable Officers in Government Departments

Introduction and background

This section provides guidance for Accountable Officers with responsibility for any of the following:

- States Bodies as defined in the Public Finances Law (normally a department)
- any Fund established or continued under the Public Finances Law,
- Government of Jersey income
- money derived from taxation and duties
- assets forming part of trust assets.

The role of Accountable Officer is established under the Public Finances Law.

The Chief Executive Officer of the Council of Ministers is the Principal Accountable Officer, and as such is answerable to the States Assembly and accountable to the Council of Ministers for the exercise of the responsibilities of the office, which include the appointment of Accountable Officers and determining their functions. Accountable Officers are answerable to the Public Accounts Committee for their area of responsibility. A full list of Accountable Officers and their areas of responsibility is included in Supporting documents.

Accountability lies far beyond what is included in the Law. Accountable Officers are personally responsible for managing their area of responsibility efficiently and effectively, and for reporting to the States Assembly accurately and transparently.

The functions of an Accountable Officer may be delegated to another person(s), however, personal accountability for that function remains with the Accountable Officer.

Whilst Accountable Officers are not responsible for making policy decisions (this responsibility lies with either the Council of Ministers, individual Ministers or the States Assembly), they are accountable for the implementation of policy with due regard for the need for efficient and effective outcomes of States priorities.

In addition to the guidelines set out in this section, Accountable Officers should refer to all other sections of this Manual, as well as other formal Policies which are relevant and have been brought to their attention by the Principal Accountable Officer or Treasurer of the States or of which they should be reasonably expected to be aware, and also to the States of Jersey Code of Practice issued by The States Employment Board.

The Principal Accountable Officer and Accountable Officers of Non Ministerial States Bodies and Specified Organisations are covered in different sections of this section.

In addition to the common risks identified in the Background and Introduction section of the manual a number of significant risks relating to this section include:

- there is a gap in responsibility and accountability for all of the States or Government of Jersey's direct and indirectly funded expenditure and income
- Accountable Officers are not fully aware of their legal responsibilities and accountabilities

- an Accountable Officer is unaware of the proper course of action to take if they are directed by the Council of Ministers, Minister or the Principal Accountable Officer to take action which they feel conflicts with their responsibilities and accountabilities
- Accountable Officers fail to exercise the level of budgetary control expected of them

- **Principles**

1. Accountable Officers should manage their area of responsibility efficiently and effectively, and report to the States Assembly accurately and transparently. Initiatives and activities should be assessed “through the Accountable Officer lens” to assess whether they meet the four essential standards of:
 - propriety
 - regularity
 - value for money
 - feasibility

Accountable Officers should be able to describe how they contribute to strategic outcomes and departmental objectives over time and how they will measure progress made and or service performance in alignment with the Jersey Standard for Performance Management and Business Planning

2. Where an Accountable Officer makes delegations, delegates should be informed that they bear the same responsibilities as the Accountable Officer for propriety, regularity, value for money and feasibility. The Accountable Officer retains ultimate accountability. Delegations should be regularly reviewed, in particular following organisational changes or staff turnover.
3. Accountable Officers should ensure that there are procedures in place to ensure proper control and assurance frameworks exist throughout the States Body. Internal and external audit findings assess and test internal controls and performance, and these audit findings should be used in conjunction with other measures to continually improve internal controls and performance. The recommendation tracker process should be used to assist in compliance with this principle.
4. Accountable Officers should apply the overarching test of: “Could this course of action be satisfactorily defended in public?” The Nolan Principles are of particular importance to the proper performance of the role.
5. Accountable Officers should work together for the common good of the States and Government of Jersey.
6. Accountable Officers should, at all times, aim to comply with the spirit of the Public Finances Manual and their legal accountabilities. If a transaction is clearly just a way around the letter of the rules, then Accountable Officers should follow the spirit of the rules.

Requirements

1. Duties of Accountable Officers

Accountable Officers must be aware of their roles and responsibilities as set out in their appointment letters. For all requirements of this manual, where the section stipulates “must” then the instruction must be followed unless an exemption has been approved by the Treasurer of the States, their delegate or the Group Director, Commercial Services as required. If a

mandatory requirement has not been followed, and an exemption was not obtained in advance, then a breach must be formally recorded and noted by the Treasurer, their delegate or the Group Director, Commercial Services as required. Where the Public Finances Manual stipulates “should”, normally in Principles, then it is expected that this approach is taken. Where this is not the case, departments must record and retain evidence (“comply or explain”) where an alternative approach is taken but there is no need to formally record a breach.

2. Budgetary control

Accountable Officers must not exceed the approved sum for the head(s) of expenditure they are responsible for. The effect of Article 15(1) of the Public Finances Law is that only the amount approved by the States Assembly (potentially adjusted by decisions of the Minister for Treasury and Resources or delegate – read ‘Changes to heads of expenditure’ section) can be spent. Any expenditure in excess of the approved amount is effectively unlawful. Where the amount approved for a head of expenditure is dependent upon an estimated level of income, shortfalls in this income have the same effect as overspending.

If, at any time, an Accountable Officer believes they may exceed their approved sum for the head(s) of expenditure they are responsible for they must contact the Treasurer of the States immediately to discuss options available. If a forecast shows a projected overspend the Accountable Officer must, by the end of the following month, provide an action plan to the Group Director, Strategic Finance to bring the forecast back to at least a breakeven position. (The Accountable Officer can include the action plan in the monthly report where the overspend is forecast, if preferred).

This action plan must contain:

- The size of the forecast overspend
- The reasons for the forecast overspend
- The proposed actions to achieve a breakeven position
- The proposed improvements in Financial Management
- How actions and improvements will be tracked

The Accountable Officer must provide an update on this action plan on a monthly basis, until such a time that the Treasurer agrees this is no longer required. The Treasurer of the States and the Principal Accountable Officer may require a monthly review meeting that the Accountable Officer must attend.

Where action plans are failing to deliver the desired improvement in financial position, the Treasurer of the States will consider further actions. These can include:

- recommending to the Minister for Treasury and Resources that this manual be amended to require certain categories of expenditure for the department or project concerned to be subject to specific Treasury approval, with the requirement set out within this manual
- requesting an urgent review by Internal Audit of areas of budgets that are forecast to overspend
- a formal letter from the Treasurer of the States to the Accountable Officer requesting an immediate improvement in financial discipline and management
- requesting the Minister for Treasury and Resources to formally write to the Accountable Officer, potentially copied to the Comptroller and Auditor General and Public Accounts

Committee, requesting an immediate improvement in financial discipline and management

- recommending to the Principal Accountable Officer the removal of the Accountable Officer designation – to be replaced by an alternative Accountable Officer to be identified by the Principal Accountable Officer or their delegate.

3. Appointment of Accountable Officers

4. When appointing an Accountable Officer, the Principal Accountable Officer in the letter of appointment must specify any functions expected of individual officers. As such, these Accountable Officers are responsible to the Principal Accountable Officer. All Accountable Officer appointments must be in writing and are effective from the date on which the appointed person receives a copy of the notice of appointment, unless otherwise specified in the letter. The Principal Accountable Officer may delegate the function of appointing Accountable Officers. Copies of appointment letters must be sent to the Comptroller and Auditor General, the Treasurer and any Minister with responsibility for the area. An Accountable Officer must be a States' employee or in the case of a specified organisation, an employee of the organisation.

5. Delegation from the Minister

Accountable Officers must ensure that they have clear delegation from their Minister(s) to spend the approved head(s) of expenditure for their department and any projects. This is most likely to take the form of a delegation published to the States Assembly in accordance with Article 28 of the States of Jersey Law 2005. The delegation may be for the entire amount of the approved head of expenditure or may be limited to transactions below a specified financial limit.

6. Delegation from the Accountable Officer

When considering delegation, Accountable Officers must ensure clear lines of control as well as accountability and reporting arrangements. Arrangements for delegation should promote good financial management and governance and should be supported by the necessary staff with an appropriate balance of skills and experience. Delegations must be recorded in the departmental Scheme of Delegation, which must be submitted to the Treasurer of the States for approval. Suggested model Schemes of Delegation for both financial and non-financial delegations are included as guidance within supporting documents. Any Delegated Officer must be an employee under the terms of the Employment of States of Jersey Employees (Jersey) Law or a member of the States of Jersey Police. An exemption must be sought if an Accountable Officer wishes to delegate functions to an individual who is not a permanent or fixed-term employee (i.e. the individual must be paid direct as opposed to through a company).

7. Letters of instruction

8. If Accountable Officers are directed by the Council of Ministers and or their Minister or Principal Accountable Officer to follow a course of action which involves a transaction which is considered to infringe the requirements of propriety or regularity; or their wider responsibility to ensure economy, efficiency and effectiveness, Accountable Officers must set out promptly in writing to the person issuing the direction the reason for the objection, and notify the Principal Accountable Officer and the Comptroller and Auditor General. If a decision is made to go ahead with the course of action the Accountable Officers must request a written instruction to this effect with a copy sent to the Comptroller and Auditor

General. In some instances, a Minister may issue a Letter of Instruction without receiving a written request to do so, if the Minister is aware that his or her wishes are contradicted by previous advice from the Accountable Officer. If the Minister proceeds with a Letter of Instruction this, along with the letter from the Accountable Officer, if any, must be copied to the Comptroller and Auditor General and published on www.gov.je. Publication will be arranged by the Financial Governance team within Treasury and Exchequer, and can redact personal or commercially sensitive data. If the course of action is followed, the Public Accounts Committee should be expected to recognise that the Accountable Officers bear no personal responsibility for the action. The acid test is whether the Accountable Officer could justify the proposed activity if asked to defend.

It is not possible to instruct an Accountable Officer to act in a way which is unlawful, including exceeding an approved head of expenditure without a lawful basis. If a Minister instructs an Accountable Officer to do (or not do) something which would, all other things being equal, result in an approved head of expenditure being exceeded, the Accountable Officer must set out in writing to the Minister the compensating measures the Accountable Officer is proposing to take to remain within the approved head of expenditure. If the Minister agrees, by letter, that those measures are acceptable then the original instruction can be followed. If the Minister does not agree the proposed compensating measures, the Minister must set out in writing what alternative compensating measures should be taken. Until such time as the Minister has either agreed the compensating measures, or specified alternative compensating measures, then the original instruction need not be followed, and no disciplinary action should follow against an Accountable Officer who declined to act in accordance with that instruction. All such letters must be copied to the Comptroller and Auditor General.

9. Financial management

An Accountable Officer must ensure that there is a standard of financial management in their area of responsibility which meets or exceeds the requirements of the Government of Jersey Financial Reporting Manual and the Public Finances Manual.

The Treasury will review departmental and project forecasts. Where they believe that a forecast may not be accurate the Treasury can request clarification and further forecasts. If this is the case the Accountable Officer must provide confirmation that the forecast is considered to be accurate, or a re-forecast, to the Treasury within 5 working days of the request being made.

10. Provision of information

When requested, the Accountable Officer must provide adequate, timely and accurate financial information and evidence to the Council of Ministers, Minister for Treasury and Resources, Principal Accountable Officer, Treasurer, Public Accounts Committee, Comptroller and Auditor General and Scrutiny Panels in the appropriate format and to the relevant timescales.

Accountable Officers must be ready to respond to all questions or queries and obtain relevant support in terms of evidence from other appropriate staff. Accountable Officers must ensure provision of details of any errors or omissions to the Public Accounts Committee or Scrutiny Panels is done as soon as reasonably practical.

11. Staff awareness

Accountable Officers must put arrangements in place to ensure, as far as is reasonably possible, that all staff in their area of responsibility are aware that they are responsible for

public money and that high standards are expected of them. This includes actively promoting training on the Public Finances Manual offered by the Treasury.

12. Stewardship

Accountable Officers must operate effective stewardship of assets they control and safeguard and must ensure that they are effectively checked and discrepancies investigated and reported on.

13. Risk management

Accountable Officers must ensure that an appropriate approach to risk management is followed throughout their area of responsibility and that systems are in place to identify and manage these risks. Specifically, Accountable Officers should take into account the Government of Jersey's Risk Management Strategy and Guidelines.

14. Prudence

Accountable Officers must promote prudence and the economic, efficient and effective use of all resources at all times, in particular by ensuring:

- the prevention and detection of fraud, error and wasteful practices as well as correcting them as appropriate
- the establishment and maintenance of sound systems of internal control that support the achievement of the set policies, aims and priorities. The systems of internal control are designed to respond to and manage the whole range of risks that an organisation faces
- that financial systems and procedures promote the efficient and economical conduct of business
- that funds allocated to Arm's Length Bodies (which do not include the Specified Organisations defined in the Law or any area which is classed as a States body in its own right) are used for the purposes intended and there must be a clear understanding of the respective responsibilities of the Accountable Officer and the relevant accountable official of the Arm's Length Bodies, as well as maintaining and effectively monitoring compliance with the funding agreement or Memorandum of Understanding in place.

15. Expenditure

Accountable Officers must ensure that expenditure is a proper and acceptable charge on public funds and that all items of expenditure are dealt with in accordance with the States Assembly's intentions for the public funds for which they are responsible

16. Income

Accountable Officers must ensure that adequate systems and checks exist to ensure that all income, as far as is practical, is collected and promptly banked into the appropriate States bank account(s).

17. Policy development

Accountable Officers must ensure that when policies are being developed that affect their area(s) of responsibility that all relevant financial considerations, including those relating to propriety, regularity and value for money are taken into account and where appropriate brought

to the attention of the Public Accounts Committee and relevant Minister(s) and or Council of Ministers.

18. Governance Statement

(read section within this manual on Governance Statements) At each financial year end, an Accountable Officer must sign the relevant annual accounts and the Governance Statement for their area(s) of responsibility. In signing these documents, the Accountable Officer is acknowledging the basis on which they believe their responsibilities have been properly discharged:

- the Governance Statement must record and confirm that the necessary controls have been instituted and that, where weaknesses are acknowledged to exist, the necessary improvements in control have been arranged
- signing the Accounts effectively means that the Accountable Officer accepts personal accountability for the information contained in the accounts as well as the nature of all transactions and agrees that they are in the format prescribed by the States Treasurer

Accountable Officers must forward completed Governance Statements and Accounts to the Treasurer of the States or their delegate. The Treasurer of the States must discuss matters arising from submitted Governance Statements with the Principal Accountable Officer prior to submission of the Annual Report and Accounts for audit. Full details of an Accountable Officer's remuneration will be published as part of the annual Financial Statement.

Where there is a change of Accountable Officer during a year the outgoing officer should prepare an interim Governance Statement or handover letter that the incoming incumbent can place reliance on when preparing their own statement. If this is not possible the incoming Accountable Officer should seek assurances from relevant senior departmental managers for the period in question.

19. Responsibility for Funds

In instances where an Accountable Officer has responsibility for a States Fund, Trust Fund, or Government of Jersey income, they should ensure that the relevant legislation and States Assembly approvals are followed as well as those general responsibilities listed in this manual. The same standards of financial management must be applied to Funds as for Government Plan-approved departmental and project expenditure.

20. Availability

An Accountable Officer must ensure that they are generally available for consultation but in periods of absence, for example annual leave or sickness, they must ensure that there is another senior officer who can act on their behalf. This should be documented in the departmental Scheme of Delegation. In exceptional circumstances, and where an Accountable Officer will be incapacitated for a period of four weeks or more, the Principal Accountable Officer must be notified.

21. Conflicts of interest

Newly appointed Accountable Officers must declare any reportable conflicts of interest immediately on appointment if they have not previously done so. Any conflicts which arise after appointment must be declared immediately. This information is important to manage risks and to ensure proper reporting or related party transactions in the Annual Report and Accounts.

Accountable Officers in Non Ministerial States Bodies

Introduction and background

This section applies to Accountable Officers with responsibility for the following Non Ministerial States Bodies defined in Schedule 1 to the Public Finances Law:

- Bailiff's Chambers
- Office of the Lieutenant Governor
- States Greffe
- Viscount's Department
- Judicial Greffe
- Law Officers' Department
- Jersey Probation Service

Read specific section within this manual relating to the Office of the Comptroller and Auditor General for details of compliance by the Office.

The role of Accountable Officer is established under the Public Finances Law.

For the Bodies covered by this section, their Chief Officer is usually their Accountable Officer, although the Minister for Treasury and Resources can, in exceptional circumstances, appoint a person other than its Chief Officer or appoint an additional Accountable Officer, for example the Bailiff and Attorney General cannot report to someone within the States administration, whether Minister or civil servant. A full list of Accountable Officers and their areas of responsibility is published in Supporting documents.

Accountability lies far beyond what is included in the Law. Accountable Officers are personally responsible for managing their area of responsibility efficiently and effectively, and for reporting to the States Assembly accurately and transparently.

The functions of an Accountable Officer may be delegated to another person(s), however, personal accountability for that function remains with the Accountable Officer.

In addition to the guidelines set out in this section, Accountable Officers should refer to all other sections, as well as other formal Policies which are relevant and have been brought to their attention by the Principal Accountable Officer or Treasurer of the States or of which they should be reasonably expected to be aware, and also to the States of Jersey Codes of Practice issued by the States Employment Board.

In addition to the common risks identified in the Background and Introduction section of the Public Finances Manual a number of significant risks relating to this section include:

- the independence and effectiveness of the Non Ministerial States Bodies is compromised
- there is a gap in responsibility and accountability for all of the States or Government of Jersey's direct and indirectly funded expenditure and income
- Accountable Officers are not fully aware of their legal responsibilities and accountabilities
- Accountable Officers fail to exercise the level of budgetary control expected of them
- **Principles**

1. Accountable Officers should manage their area of responsibility efficiently and effectively, and report to the States Assembly accurately and transparently. Initiatives and activities should be assessed through the “Accountable Officer lens” to assess whether they meet the four essential standards of:
 - propriety
 - regularity
 - value for money
 - feasibility
2. Where an Accountable Officer makes delegations, delegates should be informed that they bear the same responsibilities as the Accountable Officer for propriety, regularity, value for money and feasibility. The Accountable Officer retains ultimate accountability. Delegations should be regularly reviewed, in particular following organisational changes or staff turnover.
3. Accountable Officers should ensure that there are procedures in place to ensure proper control and assurance frameworks exist throughout the States and Government of Jersey. Internal and external audit findings assess and test internal controls and performance. These audit findings should be used in conjunction with other measures to continually improve internal controls and performance. The recommendation tracker process should be used to assist in compliance with this principle.
4. Accountable Officers should apply the overarching test of: “Could this course of action be satisfactorily defended in public?” The Nolan Principles are of particular importance to the proper performance of the role.
5. Accountable Officers should work together for the common good of the States of Jersey.
6. Accountable Officers should, at all times, aim to comply with the spirit of the Public Finances Manual and their legal accountabilities. If a transaction is clearly just a way around the letter of the rules, then Accountable Officers should follow the spirit of the rules.

Requirements

1. Duties of Accountable Officers

Accountable Officers must be aware of their roles and responsibilities as set out in their appointment letters. In addition, they must always ensure that the standard of financial management is in compliance with the provisions of the Public Finances Law, the Public Finances Manual and any additional policies. For all requirements of this manual, where the section stipulates “must” then the instruction must be followed unless an exemption has been approved by the Treasurer of the States, their delegate or the Group Director, Commercial Services as required. If a mandatory requirement has not been followed, and an exemption was not obtained in advance, then a breach must be formally recorded and noted by the Treasurer, their delegate or the Group Director, Commercial Services as required. Where the Public Finances Manual stipulates “should”, normally in Principles, then it is expected that this approach is taken. Where this is not the case, departments must record and retain evidence (“comply or explain”) where an alternative approach is taken but there is no need to formally record a breach.

2. Budgetary control

Accountable Officers must not exceed the approved sum for the head(s) of expenditure they are responsible for. The effect of Article 15(1) of the Public Finances Law is that only the amount

approved by the States Assembly (potentially adjusted by decisions of the Minister for Treasury and Resources or delegate – read ‘Changes to heads of expenditure’ section) can be spent. Any expenditure in excess of the approved amount is effectively unlawful. Where the amount approved for a head of expenditure is dependent upon an estimated level of income, shortfalls in this income have the same effect as overspending.

If, at any time, an Accountable Officer believes they may exceed their approved sum for the head(s) of expenditure they are responsible for they must contact the Treasurer of the States immediately to discuss options available. If a forecast shows a projected overspend the Accountable Officer must, by the end of the following month, provide an action plan to the Group Director, Strategic Finance to bring the forecast back to at least a breakeven position. (The Accountable Officer can include the action plan in the monthly report where the overspend is forecast, if preferred).

This action plan must contain:

- The size of the forecast overspend
- The reasons for the forecast overspend
- The proposed actions to achieve a breakeven position
- The proposed improvements in Financial Management
- How actions and improvements will be tracked

The Accountable Officer must provide an update on this action plan on a monthly basis, until such a time that the Treasurer agrees this is no longer required. The Treasurer may require a monthly review meeting that the Accountable Officer must attend.

Where action plans are failing to deliver the desired improvement in financial position, the Treasurer of the States will consider further actions. These can include:

- recommending to the Minister for Treasury and Resources that this manual be amended to require certain categories of expenditure for the department or project concerned to be subject to specific Treasury approval, with the requirement set out within this manual
- requesting an urgent review by Internal Audit of areas of budgets that are forecast to overspend
- recommending to the Minister for Treasury and Resources that certain elements of the budget concerned are removed and transferred to the Reserve – these are likely to be areas of discretionary spend that are not mandated by Law
- a formal letter from the Treasurer of the States to the Accountable Officer requesting an immediate improvement in financial discipline and management
- requesting the Minister for Treasury and Resources to formally write to the Accountable Officer, potentially copied to the Comptroller and Auditor General and Public Accounts Committee, requesting an immediate improvement in financial discipline and management
- recommending to the Minister for Treasury and Resources removal of the Accountable Officer designation – to be replaced by an alternative Accountable Officer.

3. Appointment of Accountable Officers

In exceptional circumstances an Accountable Officer who is not the Chief Officer may be appointed in writing by the Minister for Treasury and Resources. An appointment is effective once the written notice of the appointment is received, a copy of which must be forwarded to the Comptroller and Auditor General and the States Treasurer. A copy should be sent to the Principal Accountable Officer for information purposes.

4. Position of Accountable Officers

The Accountable Officer must be an officer of the Non Ministerial States Body.

5. Delegation from the Accountable Officer

When considering delegation, Accountable Officers must ensure clear lines of control as well as accountability and reporting arrangements. Arrangements for delegation should promote good financial management and governance and should be supported by the necessary staff with an appropriate balance of skills and experiences. Delegations must be recorded in the departmental Scheme of Delegation, which must be submitted to the Treasurer of the States for approval. Suggested model Schemes of Delegation for both financial and non-financial delegations are included as guidance within Supporting documents. Any Delegated Officer must be another officer of the (or a) Non-Ministerial States Body, or an employee under the terms of the Employment of States of Jersey Employees (Jersey) Law or a member of the States of Jersey Police. An exemption must be sought if an Accountable Officer wishes to delegate functions to an individual who is not a permanent or fixed-term employee, for example when the individual must be paid direct as opposed to through a company.

6. Financial management

An Accountable Officer must ensure that there is a standard of financial management in their area of responsibility which meets or exceeds the requirements of the Government of Jersey Financial Reporting Manual and the Public Finances Manual.

The Treasury will review departmental and project forecasts. Where they believe that a forecast may not be accurate the Treasury can request clarification and further forecasts. If this is the case the Accountable Officer must provide confirmation that the forecast is considered to be accurate, or a re-forecast, to the Treasury within 5 working days of the request being made.

7. Provision of information

When requested, the Accountable Officer must provide adequate, timely and accurate financial information and evidence to the Public Accounts Committee, Comptroller and Auditor General and Scrutiny Panels in the appropriate format and to the relevant timescales. Accountable Officers must be ready to respond to all questions or queries and obtain relevant support in terms of evidence from other appropriate staff. Accountable Officers must ensure provision of details of any errors or omissions to the Public Accounts Committee or Scrutiny Panels is done as soon as reasonably practical.

8. Staff awareness

Accountable Officers must put arrangements in place to ensure, as far as is reasonably possible, that all staff in their area of responsibility are aware that they are responsible for public money and that high standards are expected of them. This includes actively promoting training on the Public Finances Manual offered by the Treasury.

9. Stewardship

Accountable Officers must operate effective stewardship of assets they control and safeguard and must ensure that they are effectively checked and discrepancies investigated and reported on.

10. Risk management

Accountable Officers must ensure that an appropriate approach to risk management is followed throughout their area of responsibility, and that systems are in place to identify and manage these risks.

11. Prudence

Accountable Officers must promote prudence and the economic, efficient and effective use of all resources at all times, in particular by ensuring:

- the prevention and detection of fraud, error and wasteful practices as well as correcting them as appropriate
- the establishment and maintenance of sound systems of internal control that support the achievement of the set policies, aims and priorities. The systems of internal control are designed to respond to and manage the whole range of risks that the Non Ministerial States Bodies face
- that financial systems and procedures promote the efficient and economical conduct of business
- that funds allocated to Non Ministerial States Bodies are used for the purposes intended and there must be a clear understanding of the respective responsibilities of the Accountable Officer

12. Expenditure

Accountable Officers must ensure that expenditure is a proper and acceptable charge on public funds and that all items of expenditure are dealt with in accordance with the States Assembly's intentions for the public funds for which they are responsible

13. Income

Accountable Officers must ensure that adequate systems and checks exist to ensure that all income, as far as is practical, is collected and promptly banked into the appropriate States bank account(s).

14. Governance Statement

(read section within this manual on Governance Statements) At each financial year end an Accountable Officer must sign the relevant annual accounts and the Governance Statement for their area(s) of responsibility. In signing these documents, the Accountable Officer is acknowledging the basis on which they believe their responsibilities have been properly discharged:

- the Governance Statement must record and confirm that the necessary controls have been instituted and that, where weaknesses are acknowledged to exist, the necessary improvements in control have been arranged; and

- signing the Accounts effectively means that the Accountable Officer accepts personal accountability for the information contained in the accounts as well as the nature of all transactions and agrees that they are in the format prescribed by the States Treasurer

Accountable Officers must forward completed Governance Statements and Accounts to the States Treasurer. As part of the annual financial statement full details of an Accountable Officer's remuneration will be published.

Where there is a change of Accountable Officer during a year the outgoing officer should prepare an interim Governance Statement or handover letter that the incoming incumbent can place reliance on when preparing their own statement. If this is not possible the incoming Accountable Officer should seek assurances from relevant senior departmental managers for the period in question.

15. Availability

An Accountable Officer should ensure that they are generally available for consultation but in periods of absence i.e. annual leave they must ensure that there is another senior officer who can act on their behalf. This should be documented in the departmental Scheme of Delegation. In exceptional circumstances, and where an Accountable Officer will be incapacitated for a period of four weeks or more, the Minister for Treasury and Resources must be notified.

16. Letters of instruction

If Accountable Officers are directed by any person in a position of authority to follow a course of action which involves a transaction which is considered to infringe the requirements of propriety or regularity; or their wider responsibility to ensure economy, efficiency and effectiveness, Accountable Officers must set out promptly in writing to the person issuing the direction the reason for the objection, and notify the Treasurer of the States and the Comptroller and Auditor General. If a decision is made to go ahead with the course of action the Accountable Officer must request a written instruction to this effect with a copy sent to the Comptroller and Auditor General. If the course of action is followed, the Public Accounts Committee should be expected to recognise that the Accountable Officers bear no personal responsibility for the action. The acid test is whether the Accountable Officer could justify the proposed activity if asked to defend it.

It is not possible to instruct an Accountable Officer to act in a way which is unlawful, including exceeding an approved head of expenditure without a lawful basis. If any person instructs an Accountable Officer to do (or not do) something which would, all other things being equal, result in an approved head of expenditure being exceeded, the Accountable Officer must set out in writing to that person the compensating measures the Accountable Officer is proposing to take to remain within the approved head of expenditure. If that person agrees, by letter, that those measures are acceptable then the original instruction can be followed. If that person does not agree the proposed compensating measures, the person must set out in writing what alternative compensating measures should be taken. Until such time as the person has either agreed the compensating measures, or specified alternative compensating measures, then the original instruction need not be followed, and no disciplinary action should follow against an Accountable Officer who declined to act in accordance with that instruction. All such letters must be copied to the Comptroller and Auditor General.

17. Responsibility for Funds

In instances where an Accountable Officer has responsibility for a States Fund, Trust Fund, or Government of Jersey income, they must ensure that the relevant legislation and States Assembly approvals are followed as well as those general responsibilities listed in this manual. The same standards of financial management must be applied to Funds as for Government Plan-approved departmental and project expenditure.

18. Conflicts of interest

Newly appointed Accountable Officers must declare any reportable conflicts of interest immediately on appointment if they have not previously done so. Any conflicts which arise after appointment must be declared immediately. This information is important to manage risks and to ensure proper reporting of related party transactions in the Annual Report and Accounts.

Accountable Officers in Specified Organisations

Introduction and background

This section applies to Specified Organisations – which are those organisations where the Principal Accountable Officer has appointed an Accountable Officer under the terms of the Public Finances Law.

The Chief Executive Officer of the Council of Ministers is the Principal Accountable Officer and as such is responsible for the appointment of an Accountable Officer in a Specified Organisation and for determining their functions. This is to ensure that there is accountability for the best use of public resources even when service delivery is conducted at arm's length to the Government of Jersey's administration.

The Principal Accountable Officer may appoint an Accountable Officer in the following Specified Organisations (as listed in Schedule 2 of the Public Finances Law):

- Andium Homes Limited and its subsidiary companies (if any)
- Jersey Post International Limited and its subsidiary companies (if any)
- JT Group Limited and its subsidiary companies (if any)
- Jersey Overseas Aid Commission
- Ports of Jersey Limited
- States of Jersey Development Company Limited and its subsidiary companies (if any)

This list may be added to by the Minister for Treasury and Resources through the issuance of an Order.

Accountability lies far beyond what is included in the Law. Accountable Officers are personally responsible for managing their area of responsibility efficiently and effectively, and for reporting to the States Assembly accurately and transparently.

The functions of an Accountable Officer may be delegated to another person(s), however, personal accountability for that function remains with the Accountable Officer.

The Accountable Officer for a Specified Organisation must be a paid employee of that Organisation.

In addition to the guidelines set out in this section, Accountable Officers should have regard to all other sections where relevance is identified, as well as other formal policies which are relevant and have been brought to their attention by the Principal Accountable Officer or Treasurer of the States or of which they should be reasonably expected to be aware. However, the bodies will have their own such policies and codes.

In addition to the common risks identified in the Background and Introduction section of the manual a number of significant risks relating to this section include:

- there is a gap in responsibility and accountability for all of the Specified Organisations direct and indirectly funded expenditure and income
- Accountable Officers are not fully aware of their legal responsibilities and accountabilities
- an Accountable Officer is unaware of the proper course of action to take if they are directed by the Council of Ministers and or Government of Jersey, Minister, Chair, Board

Member of the Specified Organisation and or Principal Accountable Officer to take action which they feel conflicts with their responsibilities and accountabilities

- the Specified Organisation undertakes a course of action that is outside the risk appetite of the States or Government of Jersey leading to reputational damage for the Specified Body and the States or Government of Jersey
- the Specified Organisation competes unfairly with Private Sector organisations in the market
- the requirements of the States or Government of Jersey cause the Accountable Officer of the Specified Organisation to act in a manner contrary to the laws under which the Specified Organisation is established
- Accountable Officers fail to exercise the level of budgetary control expected of them

- **Principles**

1. Accountable Officers in Specified Organisations should manage their area of responsibility efficiently and effectively, and report to the States Assembly accurately and transparently in accordance with their Memorandum of Understanding and Articles of Association. Initiatives and activities should be assessed “through the Accountable Officer lens” to assess whether they meet the four essential standards of:
 - propriety
 - regularity
 - value for money
 - feasibility
2. Where an Accountable Officer makes delegations, delegates should be informed that they bear the same responsibilities as the Accountable Officer for propriety, regularity, value for money and feasibility. The Accountable Officer retains ultimate accountability. Delegations should be regularly reviewed, in particular following organisational changes or staff turnover.
3. Accountable Officers in Specified Organisations must ensure compliance with the Memorandum of Understanding and any other associated documents signed with the relevant Minister.
4. Accountable Officers should ensure that there are procedures in place to ensure proper control and assurance frameworks exist throughout the States Body. Internal and external audit findings assess and test internal controls and performance, and these audit findings should be used in conjunction with other measures to continually improve internal controls and performance. The recommendation tracker process should be used to assist in compliance with this principle
5. Accountable Officers must demonstrate the same oversight over subsidiaries and or branches, as the establishment of subsidiaries and or branches must not be seen as a means of avoiding direct public oversight.
6. In addition, Accountable Officers should apply the overarching test of: “Could this course of action be satisfactorily defended in public?” The Nolan Principles are of particular importance to the proper performance of the role.
7. Accountable Officers should work together for the common good of the States of Jersey and Specified Organisations. Accountable Officers for Specified Organisations should maintain a balance between their responsibilities to the Government of Jersey and to the Specified

Organisation. Where there is an actual or perceived conflict of obligations, those under the Companies (Jersey) Law 1991 will take precedence.

8. Accountable Officers should, at all times, aim to comply with the spirit of the Public Finances Manual and their legal accountabilities. If a transaction is clearly just a way around the letter of the rules, then Accountable Officers should follow the spirit of the rules.

Requirements

1. Role of the Accountable Officer

Accountable Officers of Specified Organisations must be aware of their roles and responsibilities established under their letters of appointment.

2. Budgetary control

Accountable Officers must not exceed the approved sum for the head(s) of expenditure they are responsible for. The effect of Article 15(1) of the Public Finances Law is that only the amount approved by the States Assembly (potentially adjusted by decisions of the Minister for Treasury and Resources or delegate – read ‘Changes to heads of expenditure’ section) can be spent. Any expenditure in excess of the approved amount is effectively unlawful. Where the amount approved for a head of expenditure is dependent upon an estimated level of income, shortfalls in this income have the same effect as overspending.

If, at any time, an Accountable Officer believes they may exceed their approved sum for the head(s) of expenditure they are responsible for they must contact the Treasurer of the States immediately to discuss options available. If a forecast shows a projected overspend the Accountable Officer must, by the end of the following month, provide an action plan to the Group Director, Strategic Finance to bring the forecast back to at least a breakeven position. (The Accountable Officer can include the action plan in the monthly report where the overspend is forecast, if preferred).

This action plan must contain:

- The size of the forecast overspend
- The reasons for the forecast overspend
- The proposed actions to achieve a breakeven position
- The proposed improvements in Financial Management
- How actions and improvements will be tracked

The Accountable Officer must provide an update on this action plan on a monthly basis, until such a time that the Treasurer agrees this is no longer required. The Treasurer of the States and the Principal Accountable Officer may require a monthly review meeting that the Accountable Officer must attend.

Where action plans are failing to deliver the desired improvement in financial position, the Treasurer of the States will consider further actions. These can include:

- recommending to the Minister for Treasury and Resources that this manual be amended to require certain categories of expenditure for the department or project concerned to be subject to specific Treasury approval, with the requirement set out within this manual
- requesting an urgent review by Internal Audit of areas of budgets that are forecast to overspend

- a formal letter from the Treasurer of the States to the Accountable Officer requesting an immediate improvement in financial discipline and management
- requesting the Minister for Treasury and Resources to formally write to the Accountable Officer, potentially copied to the Comptroller and Auditor General and Public Accounts Committee, requesting an immediate improvement in financial discipline and management
- recommending to the Principal Accountable Officer removal of the Accountable Officer designation – to be replaced by an alternative Accountable Officer to be identified by the Principal Accountable Officer or their delegate.

3. Appointment of Accountable Officers

When appointing an Accountable Officer, the Principal Accountable Officer in the letter of appointment must specify any specific functions expected of individual officers. As such, these Accountable Officers are responsible to the Principal Accountable Officer, to the extent permitted by the laws under which the Specified Organisation is established. All Accountable Officer appointments must be in writing and are effective from the date on which the appointed person receives a copy of the notice of appointment. Copies of appointment letters must be sent to the Comptroller and Auditor General, the States Treasurer and any Minister with responsibility for the area.

4. Position of Accountable Officers

An Accountable Officer must be an employee of the Specified Organisation. In normal instances, the Accountable Officer will be the most senior full time official of the Organisation, however, the Principal Accountable Officer has the discretion to appoint another officer subject to relevant approvals.

5. Delegation from the Minister

Accountable Officers must ensure that they have clear delegation from their Minister(s) to spend the approved head(s) of expenditure for their department and any projects. This is most likely to take the form of a delegation published to the States Assembly in accordance with Article 28 of the States of Jersey Law 2005. The delegation may be for the entire amount of the approved head of expenditure or may be limited to transactions below a specified financial limit.

6. Delegation from the Accountable Officer

When considering delegation, Accountable Officers must ensure clear lines of control as well as accountability and reporting arrangements. Arrangements for delegation should promote good financial management and governance and should be supported by the necessary staff with an appropriate balance of skills and experience. Delegations must be recorded in the departmental Scheme of Delegation, which must be submitted to the Treasurer of the States for approval. Suggested model Schemes of Delegation for both financial and non-financial delegations are included as guidance within supporting documents. Any Delegated Officer must be an employee under the terms of the Employment of States of Jersey Employees (Jersey) Law or a member of the States of Jersey Police. An exemption must be sought if an Accountable Officer wishes to delegate functions to an individual who is not a permanent or fixed-term employee (i.e. the individual must be paid direct as opposed to through a company).

7. Information

An Accountable Officer must ensure that all managers and staff have the relevant information, training and access to information to carry out their responsibilities. Managers must have a clear view of their priorities and it must be possible to assess their performance against these.

8. Provision of information

When requested, the Accountable Officer must provide adequate, timely and accurate financial information and evidence to the Council of Ministers, Minister for Treasury and Resources, Principal Accountable Officer, Treasurer, Public Accounts Committee, Comptroller and Auditor General and Scrutiny Panels in the appropriate format and to the relevant timescales. Accountable Officers must be ready to respond to all questions or queries and obtain relevant support in terms of evidence from other appropriate staff. Accountable Officers must ensure provision of details of any errors or omissions to the Public Accounts Committee or Scrutiny Panels is done as soon as reasonably practical.

9. Multiple roles

It will be incumbent on the person appointed as Accountable Officer to combine the functions of that role with their functions and duties of the Specified Organisation through which they derive their authority, including those under other legislation such as the Companies (Jersey) Law 1991. If responsibilities conflict then the Companies Law requirements take priority.

10. Propriety and Regularity

An Accountable Officer will be expected to ensure that the Specified Organisation achieves high standards of propriety and regularity and that the Specified Organisation is given appropriate advice on these matters so as to ensure that resources are used economically, efficiently and effectively.

11. Financial support

In those instances where a Specified Organisation receives direct financial support from the Government of Jersey to carry out a specific task or function the Accountable Officer must ensure that the financial support is used for the purposes specified.

12. Oversight

The Memorandum of Understanding between a Specified Organisation and its Minister should provide for the Minister (and relevant Government officers) to exercise oversight of the Arm's Length Bodie's strategy, performance and significant transactions e.g. through monthly or quarterly reporting and exception reporting.

13. Delegation

When considering delegation, Accountable Officers must ensure clear lines of control as well as accountability and reporting arrangements. Arrangements for delegation should promote good financial management and governance and should be supported by the necessary staff with an appropriate balance of skills and experiences.

14. Letters of instruction

If Accountable Officers are directed by the Board of the Specified Organisation to follow a course of action which involves a transaction which is considered to infringe the requirements of propriety or regularity; or their wider responsibility to ensure economy, efficiency and

effectiveness, the Accountable Officer must set out in writing to the Board the reason for the objection and then notify the Minister so that the Minister is able to determine if they wish to intervene in such a situation. A copy of the letter must be sent to the Comptroller and Auditor General. The Principal Accountable Officer must then consider the appropriate action to take, having consulted the Minister for Treasury and Resources and having taken into account any legislative requirements. If a decision is made to go ahead with the course of action the Accountable Officers must request a written instruction to this effect with a copy sent to the Comptroller and Auditor General. In some instances, a Minister may issue a Letter of Instruction without receiving a written request to do so, if the Minister is aware that his or her wishes are contradicted by previous advice from the Accountable Officer. If the Minister proceeds with a Letter of Instruction this, along with the letter from the Accountable Officer, if any, must be copied to the Comptroller and Auditor General and published on www.gov.je. Publication will be arranged by the Financial Governance team within Treasury and Exchequer, and can redact personal or commercially sensitive data. If the course of action is followed, the Public Accounts Committee should be expected to recognise that the Accountable Officers bear no personal responsibility for the action. The acid test is whether the Accountable Officer could justify the proposed activity if asked to defend.

It is not possible to instruct an Accountable Officer to act in a way which is unlawful, including exceeding an approved head of expenditure without a lawful basis. If a Minister instructs an Accountable Officer to do (or not do) something which would, all other things being equal, result in an approved head of expenditure being exceeded, the Accountable Officer must set out in writing to the Minister the compensating measures the Accountable Officer is proposing to take to remain within the approved head of expenditure. If the Minister agrees, by letter, that those measures are acceptable then the original instruction can be followed. If the Minister does not agree the proposed compensating measures, the Minister must set out in writing what alternative compensating measures should be taken. Until such time as the Minister has either agreed the compensating measures, or specified alternative compensating measures, then the original instruction need not be followed, and no disciplinary action should follow against an Accountable Officer who declined to act in accordance with that instruction. All such letters must be copied to the Comptroller and Auditor General.

15. Reporting to the Public Accounts Committee and Comptroller and Auditor General

When requested, the Accountable Officer is responsible for timely provision of adequate and accurate financial information and evidence to the Public Accounts Committee and Comptroller and Auditor General in the appropriate format and to the relevant timescales. Accountable Officers must be ready to respond to all questions or queries and obtain relevant support in terms of evidence from other appropriate staff. Accountable Officers should ensure provision of details of any errors or omissions to Public Accounts Committee is done as soon as reasonably practical. Under the Comptroller and Auditor General (Jersey) Law 2014, the Comptroller and Auditor General may report on any matter relating to:

- general corporate governance arrangements
- the effectiveness of internal controls and the internal auditing of those controls
- whether resources are used economically, efficiently, and effectively
- actions needed to bring about improvement where necessary

16. Staff awareness

17. Accountable Officers must put arrangements in place to ensure, as far as is reasonably possible, that all staff in their area of responsibility are aware that they are responsible for public money and that high standards are expected of them. This includes actively promoting training on the Public Finances Manual offered by the Treasury.

18. Stewardship

Accountable Officers are responsible for effective stewardship of assets they control and safeguard and must ensure that they are effectively checked and discrepancies investigated and reported on.

19. Risk management

Accountable Officers must ensure that an appropriate approach to risk management is followed throughout the Specified Organisation and that systems are in place to identify and manage these risks. Specifically, Accountable Officers should take into account the Government of Jersey's Risk Management Strategy and Guidelines.

20. Prudence

Accountable Officers must promote prudence and the economic, efficient and effective use of all resources at all times, and in particular by ensuring:

- the prevention and detection of fraud, error and wasteful practices as well as correcting them as appropriate
- the establishment and maintenance of sound systems of internal control that support the achievement of the set policies, aims and priorities. The systems of internal control are designed to respond to and manage the whole range of risks that an organisation faces
- that financial systems and procedures promote the efficient and economical conduct of business

21. Financial management

An Accountable Officer must ensure that there is a standard of financial management in their area of responsibility which meets or exceeds the requirements of the Government of Jersey Financial Reporting Manual and the Public Finances Manual. The Treasury will review departmental and project forecasts. Where they believe that a forecast may not be accurate the Treasury can request clarification and further forecasts. If this is the case the Accountable Officer must provide confirmation that the forecast is considered to be accurate, or a re-forecast, to the Treasury within 5 working days of the request being made..

22. Expenditure

Accountable Officers must ensure that expenditure is a proper and acceptable charge on public funds and that all items of expenditure are dealt with in accordance with the States Assembly's intentions for the public funds for which they are responsible

23. Income

Accountable Officers must ensure that adequate systems and checks exist to ensure that all income, as far as is practical, is collected and promptly banked into the appropriate States bank account(s).

24. Governance Statement

(read section within this manual on Governance Statements) At each financial year end, an Accountable Officer must sign the relevant annual accounts and the Governance Statement for their area(s) of responsibility. In signing these documents, the Accountable Officer is acknowledging the basis on which they believe their responsibilities have been properly discharged:

- the Governance Statement must record and confirm that the necessary controls have been instituted and that, where weaknesses are acknowledged to exist, the necessary improvements in control have been arranged
- signing the Accounts effectively means that the Accountable Officer accepts personal accountability for the information contained in the accounts as well as the nature of all transactions and agrees that they are in the format prescribed by the States Treasurer

Accountable Officers must forward completed Governance Statements and Accounts to the Treasurer of the States or their delegate. The Treasurer of the States must discuss matters arising from submitted Governance Statements with the Principal Accountable Officer prior to submission of the Annual Report and Accounts for audit. Full details of an Accountable Officer's remuneration will be published as part of the annual Financial Statement.

Where there is a change of Accountable Officer during a year the outgoing officer should prepare an interim Governance Statement or handover letter that the incoming incumbent can place reliance on when preparing their own statement. If this is not possible the incoming Accountable Officer should seek assurances from relevant senior departmental managers for the period in question.

25. Availability for consultation

An Accountable Officer must ensure that they are generally available for consultation but in periods of absence i.e. annual leave they must ensure that there is another senior officer who can act on their behalf. This should be documented in the Scheme of Delegation. In exceptional circumstances, and where an Accountable Officer will be incapacitated for a period of four weeks or more, the Principal Accountable Officer must be notified.

26. Conflict of interest

Where an Accountable Officer identifies an actual or potential conflict of interest, such conflicts should be mitigated through steps such as declaration or register, requesting for a temporary substitute and resignation, depending on the type of conflict identified. Newly appointed Accountable Officers must declare any reportable conflicts of interest immediately on appointment if they have not previously done so. Any conflicts which arise after appointment must be declared immediately. This information is important to manage risks and to ensure proper reporting or related party transactions in the Annual Report and Accounts.

27. Consultation on appointment

Prior to appointing an Accountable Officer in a Specified Organisation, the Principal Accountable Officer must consult with the body concerned on the contents of the appointment letter.

Arm's Length Bodies (excluding Specific States Owned Entities)

Introduction and background

This section applies to all States Bodies as defined in the Public Finances Law and applies to Accountable Officers and officers directly involved in managing the relationship with Arm's Length Bodies (ALBs) as listed in this section. This section does not apply where the financial relationship between the Government and/or States of Jersey and an external organisation is governed by a procurement process. This section is in addition to the Grants section. Where a listed ALB receives a grant, both this section and the Grants section apply. The section does not apply to the Specific States Owned Entities listed in that section of this manual.

Government relies on delivery of services not only directly by Ministerial and Non-Ministerial departments but indirectly through other bodies. Such bodies may be:

- controlled by government
- established by government
- substantially funded by government
- given a statutory power to levy charges to cover some or all of their costs

There are good reasons why government may determine that it is more appropriate to establish or to fund bodies rather than undertaking activities directly. However, the establishment or funding of such Arm's Length Bodies (ALBs) is not without potential costs and risks.

The establishment or funding of an ALB does not relieve the States of Jersey from a responsibility for ensuring that good governance is being demonstrated, effective internal control is in place and value for money is being secured. This section puts in place principles and requirements designed to satisfy that responsibility.

A schedule of Arm's Length Bodies will be maintained by Treasury and Exchequer and published in supporting documents to this manual. Any changes to this schedule will be approved by the Minister for Treasury and Resources and may be based on the following principles: an Arm's Length Body of the States or Government of Jersey:

- 1) Acts wholly or partly independently of the States or Government of Jersey; and
- 2) IS either:
 - a) A States Owned Entity – wholly or partly owned, operating with a commercial focus; read section on Specific States Owned Entities; or
 - b) A States Established Delivery Entity - an entity established by the States whose function is to deliver and/or support public policy; or
 - c) A States established independent body or office holder - an entity established by the States whose function is to deliver an independent regulatory function (including audit or review) of GoJ or other bodies for matters under their remit; and
- 3) IS NOT effectively part of the machinery of government, a Committee of the States, specifically advisory in nature, or an oversight function of a Government of Jersey service; and
- 4) For the purposes of the controls required by this section, has annual expenditure in excess of £500,000 and/or an annual grant in excess of £250,000

Notwithstanding the following paragraphs, some bodies may be required by establishing statute or Act of the States to fulfil certain activity, such as presenting an annual report to the States of Jersey.

The bodies which fall into those categories 1-4 above are listed below:

States Owned Entities (NB These are dealt with in a separate section of the manual, Specific States Owned Entities, so the provisions of this section do not apply)

- Andium Homes
- Jersey Electricity
- Jersey Post
- Jersey Telecom
- Jersey Water
- Ports of Jersey
- States of Jersey Development Company

States Established Delivery Entities

- Digital Jersey
- Jersey Business
- Jersey Finance
- Jersey Sport
- Visit Jersey

States established independent bodies or office holders

- Care Commission
- Commissioner for Children and Young People
- Data Protection Authority and Office of the Information Commissioner
- Jersey Competition Regulatory Authority
- Jersey Financial Services Commission
- Office of the Comptroller and Auditor General (NB the remainder of this section does not apply to the Office of the Comptroller and Auditor General – see separate section within this manual)

Where a body essentially meets the definition of an Arm's Length Body but is not listed above, then it must be subject to the requirements of the Grants and sponsorships section of this Manual where a grant is paid. An Accountable Officer must be identified as responsible for the relationship with each Arm's Length Body listed in this section.

The Public Finances (Jersey) Law 2019 provides that the Principal Accountable Officer may appoint an Accountable Officer within the following Specified Organisations (as listed in Schedule 2 of the Public Finances Law):

- Andium Homes Limited and its subsidiary companies (if any)
- Jersey Post International Limited and its subsidiary companies (if any)
- JT Group Limited and its subsidiary companies (if any)
- Jersey Overseas Aid Commission
- Ports of Jersey Limited
- States of Jersey Development Company Limited and its subsidiary companies (if any)

This list may be added to by the Minister for Treasury and Resources through the issuance of an Order. The Accountable Officer for a Specified Organisation must be a paid employee of that Organisation.

Users of the Public Finances Manual should refer to other sections that are relevant. Specifically, these include:

- Accountable Officers in Government Departments
- Accountable Officers in Specified Organisations
- Accountable Officers in Non Ministerial States Bodies
- Expenditure and procurement
- Grants
- Specific States Owned Entities

In addition to the common risks identified in the Background and Introduction section of the manual, significant risks relating to this section include:

- Arm's Length Bodies' priorities are not appropriately aligned with corporate and States Bodies' priorities
- Arm's Length Bodies do not represent the most effective mode of service delivery, in terms of value for money against alternative service provision options
- the business case for an Arm's Length Body is based on inadequate or inaccurate assumptions and not properly evaluated
- service and performance targets are not adequately defined
- information and governance requirements are not clearly established
- there is inconsistent application of controls and performance management of Arm's Length Bodies
- Arm's Length Bodies are used to circumvent States and Government processes, for example those contained in this Manual relating to Expenditure and Grants
- there is a lack of agility in the States or Government of Jersey's responses to sub-standard Arm's Length Body performance
- there is inadequate rigour within governance controls covering the management of the relationship between the States or Government of Jersey and Arm's Length Bodies
- service delivery risks are not properly managed
- there is inadequate corporate oversight of Arm's Length Body strategy and performance management
- Arm's Length Bodies do not have sufficient understanding of the States' insurance programme and their own insurance requirements, resulting in their being under insured or incurring excessive and or unnecessary premiums

Principles

1. All Arm's Length Body activity should contribute towards public policy objectives of the States of Jersey and Island Outcomes indicators.
2. The basis of the department's relationship with an Arm's Length Body should be well defined, based on robust assumptions and regularly reviewed.
3. The department and the Arm's Length Body should have a shared understanding of the risks that may impact on each other and reflect them appropriately in their respective risk registers.

4. The responsible Accountable Officer should exercise a risk based approach to assurance, governance and the oversight of operational and financial performance. This approach should reflect the department's assessment of each ALB's ability to manage its risks, including those relating to delivery, financial management and performance. The aim should be to ensure that the Accountable Officer's monitoring and support is proportionate to the size and type of their ALBs and concentrated on those with the most significant risks.

5. Responsible Accountable Officers should consider carrying out structured reviews of any or all Arm's Length Bodies for which they are responsible and listed in this section (with the exception of Specific States Owned Entities) on either a periodic or ad hoc basis. These reviews should include structured and strategic considerations of value for money.

6. Responsible Accountable Officers should consider arrangements for approval of executive remuneration in the bodies listed in this section. This could include approval by the Accountable Officer and the relevant Minister.

Requirements

1. Accountable Officers

There must be an Accountable Officer responsible for the States' or Government's relationship with each Arm's Length Body listed in this section, with the exception of Specific States Owned Entities, where the relationship is defined in the Public Finances Law. This will normally be the Accountable Officer for the department funding the Arm's Length Body. The Principal Accountable Officer will have ultimate responsibility for appointing an Accountable Officer. The responsible Accountable Officer will ensure accountability for the use of resources and that the States' Strategic Priorities in relation to the Arm's Length Body are clearly defined, monitored and achieved. Where more than one States or Government department provides funding to the Arm's Length Body, this should involve coordinating with those other departments to ensure that public funds are used as effectively as possible. The responsibilities and interaction with the Accountable Officer of the sponsoring States Body, and other guidelines on Accountable Officers for Arm's Length Bodies are covered in the Accountable Officers sections. A list of the responsible Accountable Officers for each body listed in this section is included in supporting documents.

2. Creation of an Arm's Length Body

The responsible Accountable Officer must prepare a business case for consideration by the relevant Minister and the States Assembly for any new Arm's Length Body. Any assumptions contained within the business case must be robust and provide evidence that creation of an Arm's Length Body provides the most advantageous position over other alternative methods of service provision in terms of value for money.

3. Written agreements

The responsible Accountable Officer must ensure that there is a written agreement governing the relationship with each Arm's Length Body for which they are accountable, which sets out the terms of the relationship, including:

- the purpose and responsibilities of the ALB, include shared aims and mutual responsibilities

- legal and governance framework of the ALB, including the application (as relevant) of standards of conduct (Nolan principles) and legislation covering (inter alia) public finances, public employment, data protection and freedom of information
- robust controls and oversight arrangements, which may include departmental sponsors acting as observers of ALB board meetings
- specific service measures, linked to the delivery of government strategic and operational policy objectives, to enable effective oversight, and mechanisms to provide the department with assurance regarding performance
- actions to be taken when performance is not achieved
- dispute resolution and escalation procedures
- the process for making board and senior management appointments in the ALB
- arrangements for approval of executive remuneration, including any approvals needed from the responsible Accountable Officer and relevant Minister
- arrangements for the identification and management of any conflicts of interest in the relationship

Appropriate arrangements should also be put in place to safeguard regularity and propriety. Agreements must be considered at least annually and either revised or confirmed. Certain events may trigger such consideration outside of this rhythm, such as the appointment of a new Chair or Chief Executive Officer in an ALB. A model agreement and user guide are included in supporting documents. This should be used as the basis for the written agreement with all Arm's Length Bodies listed in this section which receive Government grant funding of £1 million or above per financial year unless an alternative Framework Agreement or similar exists.

4. Annual assessments

An assessment of each Arm's Length Body listed in this section (with the exception of Specific States Owned Entities) must be carried out by the responsible Accountable Officer at least annually for all ALBs which receive public funding of £1 million or above per financial year. This review must consider:

- operational and financial performance
- whether the standards for governance set by the States of Jersey have been met;
- value for money and the potential for efficiency savings
- whether the ALB remains the optimal route to service delivery (NB This element will not apply to States established independent bodies or office holders established in statute)

Where the Accountable Officer has concerns these should be brought to the attention of the relevant Minister or the Treasurer for the Non Ministerial Departments and discussed prior to the Accountable Officer deciding whether further payments should be approved.

The annual assessment must be evidenced by completion of the Grant Pre-Payment Checklist in supporting documents for those bodies receiving a grant. If an alternative checklist is already in use by a department holding a relationship with an Arm's Length Body, then this can be used instead of the Grant Pre-Payment Checklist in supporting documents provided it meets all the requirements of that checklist.

5. Further considerations

Depending on the size and risk associated with the Arm's Length Body, the responsible Accountable Officer must consider:

- ensuring that, wherever practicable and proportionate, officers involved in developing policy with an Arm's Length Body are different from those tasked with monitoring the relationship with the Arm's Length Body
- ensuring that suitable remedial actions can be put in place for non or sub-standard performance, including the withdrawal of funding, and that suitable alternative service provision options have been considered as a contingency
- ensuring that no Accountable Officer, relationship manager or policy lead shall be a member of any Arm's Length Body Board (if applicable) or decision making forum within an Arm's Length Body

6. Governance within Arm's Length Bodies

Responsible Accountable Officers must ensure that an ALB Governance, Risk and Compliance Checklist (within supporting documents) is completed at least annually for each Arm's Length Body listed in this section that receives Government grant funding of £1 million or above per financial year. Responsible Accountable Officers must provide any information requested by an officer or group exercising corporate oversight when requested, and in the form requested.

7. Reporting by Arm's Length Bodies

To support transparency of the use of public funds, responsible Accountable Officers must make arrangements to ensure that their respective Arm's Length Bodies produce suitable annual reports on a timely basis.

- Accountable Officers should request the inclusion of suitable reporting on performance, accountability, sustainability, remuneration, including gender pay and income ratio information, and finances in the annual report, with regard given to reports and good practice documents issued by the Comptroller and Auditor General
- Accountable Officers should agree appropriate Accounting Standards to be used by the Arm's Length Body, to reflect the size and nature of the body. The Treasury can provide technical advice to Accountable Officers if required

Where an Arm's Length Body has specific requirements in legislation to produce an Annual Report then these requirements must be complied with.

Changes to heads of expenditure

Introduction and background

This section applies to all States Bodies as defined in the Public Finances Law and relates to amendments to the heads of expenditure approved by the States Assembly. It provides guidance on when and how heads of expenditure may be altered. It does not apply to the transfer of funds within a head of expenditure.

The States Assembly approves heads of expenditure as part of the Government Plan. These include heads of expenditure for departmental “business as usual” or “revenue”, Projects and the Reserve. There are a limited number of ways in which the Law permits these heads of expenditure to be varied. These include:

- the Minister for Treasury and Resources may approve the transfer of an amount allocated from one head of expenditure to another, having consulted any Ministers affected. In the case of Non Ministerial States Bodies, the Minister for Treasury and Resources must have the approval of the relevant body before doing so (for transfers which affect the Comptroller and Auditor General this should be the chair of the Public Accounts Committee, for the States Greffe the chair of the States Privileges and Procedures Committee, and in any other case the relevant accountable officer)
- before a transfer under the above bullet point can be actioned the Minister must give the States at least 4 weeks’ notice of any intended transfer. If a proposition is lodged objecting to the transfer the Minister must wait the outcome of the debate on the proposition before actioning the transfer
- transfer of underspends of revenue budgets to the Reserve head of expenditure
- use of additional revenue income, subject to approval from the Minister for Treasury and Resources (or delegate)
- use of income from the sale of assets (see Assets section)
- allocations from the Reserve head of expenditure (see section on Reserve head of expenditure)

Users of this section should refer to other sections of the Public Finances Manual that are relevant, including:

- Expenditure and procurement
- Reserve head of expenditure
- Major, strategic and other projects
- Income

In addition to the common risks identified in the Background and Introduction section of the manual a number of significant risks relating to this section include:

- transfers may not be appropriately authorised or processed
- States Bodies may be able to exceed their authorised revenue Head of Expenditure using departmental income where better value could be obtained by using it for another purpose
- States Bodies may be able to exceed their authorised revenue Head of Expenditure by disposing of assets and spending the proceeds

- approved revenue expenditure which is not required by States Bodies may not remain within the Consolidated Fund

Principles

1. Changes to head of expenditure should be rare and only occur where more economic, efficient and effective outcomes or better value can be achieved for the States of Jersey as a whole.
2. Budget transfers should be necessary and properly authorised.
3. Income received by departments in excess of the amount budgeted should only be spent with appropriate authorisation.
4. Proceeds from the disposal of assets should only be spent with appropriate authorisation.

Requirements

1. Departmental approval

Ministerial Bodies wanting to transfer funds between heads of expenditure must consult their Minister and have the approval of their Accountable Officer, or another officer where a delegation exists before approaching the Minister for Treasury and Resources. All Accountable Officers may make transfers within their individual Body's head of expenditure, or within elements of a major project head of expenditure, without the approval of the Minister for Treasury and Resources or the Treasurer of the States.

2. Treasury approval

For all transfers between heads of expenditure the approval of the Minister for Treasury and Resources must be obtained. All transfers must be presented to the States Assembly for at least 4 weeks by Treasury and Exchequer. After that time the decision can be implemented providing no States Member has lodged a proposition to the contrary.

Treasury staff must process all decisions as expediently as possible following the receipt of all relevant approvals documentation.

3. Use of additional revenue income

The Minister for Treasury and Resources has agreed that Accountable Officers can use additional income in excess of that approved in a Government Plan up to 10% of the estimated departmental income included in the Government Plan or £100,000, whichever is lower. The Accountable Officer of the relevant States Body must seek approval to spend additional income in excess of these levels. Approval of the use of additional income of a non-contentious nature above this level must be obtained from the Treasurer of the States (under delegation from the Minister for Treasury and Resources). The Treasurer of the States has the discretion to escalate approval of transfers to the Minister for Treasury and Resources if deemed appropriate. In all other instances, the approval of the Minister for Treasury and Resources must be obtained. Additional income must not be used to fund unforeseen recurring expenditure for which no future funding is secured. Approval must be sought by the relevant Finance Business Partner drafting a Treasurer's Decision and forwarding to a member of the Financial Governance team in Treasury and Exchequer. Approval must be sought before the allowable threshold is reached and the additional income is spent.

4. Under and overspends of revenue budgets

Under and overspends within a head of expenditure must be netted off against one another to result in one net amount. Any under achievement of income must be taken into account in the calculation of the under or overspend of the head of expenditure.

If there is an underspend at the end of the financial year, this may be transferred to the Reserve. Over or underspends should be reported monthly with explanations for variances to the States Treasurer.

5. Use of the proceeds of asset disposals

Where net proceeds (i.e. proceeds less the costs of selling the assets) are up to £5,000, the Accountable Officer may approve the use of the net proceeds. Use of proceeds from the disposal of an asset of over £5,000 (net of disposal costs) where the request to use funds is not contentious can be authorised by the Treasurer of the States (see Assets section). Approval in excess of £5,000 must be by the Minister for Treasury and Resources. The Treasurer will determine what is contentious for the purpose of this requirement.

6. Reporting

The Minister for Treasury and Resources must report to the States of Jersey in a semi-annual update, as well as in the States of Jersey's Annual Report and Accounts:

- all transfers between heads of expenditure against approved expenditure
- underspends transferred to the Reserve
- approvals of use of additional income.

Consulting Treasury and Exchequer

Introduction and background

This section applies to all States Bodies as defined in the Public Finances Law and provides guidance on how draft reports, propositions and proposed legislation should be discussed with Treasury and Exchequer where there are obvious or potential financial implications, either for expenditure or raising revenue whether that is a one off event or an annual position. This process will aid in ensuring States Members have access to a greater level of detail with which to consider and debate a proposition.

Users of this section should refer to other sections of the Public Finances Manual or supporting documents that are relevant. Specifically, these include:

- Accountable Officers
- Expenditure and procurement

Consultation with Treasury should not be interpreted as amounting to approval. There are situations where explicit approval is required, e.g. from the States; in other cases, the focus of the consultation might be on obtaining information required or establishing the accuracy of available information to construct a robust proposition or proposal.

In addition to the common risks identified in the Background and Introduction section of the manual a number of significant risks relating to this section include:

- proposals are based on inaccurate or partial information
- debates take place without all the relevant facts and figures, resulting in waste of ELT's, CoM's or the States' valuable time
- legislation is passed without sufficient consideration of:
 - the time, income and expenditure requirements
 - the secondary impact on other States policies or services provided

Principles

1. Treasury and Exchequer should be consulted as early as possible in any financial proposal process.
2. Financial implications should be set out in writing in any documented proposal for policy or legislation which is submitted for approval (for example to Executive Leadership Team, Council of Ministers, States Employment Board, States Assembly).

3. Requirements

1. Consulting Treasury and Exchequer

Before any proposal for policy or legislation with financial implication is submitted for approval (for example to Executive Leadership Team, Council of Ministers, States Employment Board, States Assembly), Accountable Officers (and their staff) must ensure that they consult Treasury and Exchequer (to include the department's Head of Finance Business Partnering) at the earliest stage possible and if financial implications change substantially during the course of consideration and approval. Financial implications must be set out in the relevant document.

An exemption from this requirement need not be sought (nor a breach recorded) where the reason for non-compliance relates to proposals brought forward through the democratic

system by an elected States Member. However, officers must still seek to consult Treasury and Exchequer where it is possible and practicable to do so.

2. Explicit approval

Specific explicit approval must be sought from Treasury and Exchequer for the following proposals (whilst noting the need to respect legitimate decisions made by democratic bodies):

- expenditure proposals affecting the Government of Jersey's approved expenditure totals
- contingent liabilities, including powers to issue indemnities or to provide guarantees
- increases in fees and charges above 2.5%, including any new charges
- additional public service staffing above approved limits
- pay and conditions (e.g. superannuation and early severance terms which may be subject to other legislation) of public servants
- creation of new (or substantial alteration to existing) statutory bodies and related financial arrangements

Government Plan (Budget) and budgeting

Introduction and background

This section applies to all States Bodies as defined in the Public Finances Law, with the exception of Specified Organisations (but includes Jersey Overseas Aid) as defined in schedule 2 of the Public Finances Law. It applies to the creation and management of budgets and provides guidance on the responsibilities arising in relation to the process of preparing the financial elements of the Government Plan (now commonly known as the Budget) as defined in the Public Finances Law. Note that this includes the preparation of income and expenditure plans by individual States Bodies that contribute to the consolidated draft Government Plan.

For the avoidance of doubt, this section is not intended to address the role of Treasury and Exchequer in collating budgetary submissions received from Accountable Officers and balancing them to form the financial elements of the Government Plan. Nor does it address the creation of taxation or impôt proposals, or other income-related matters for which individual States Bodies are not directly responsible.

Users of the Public Finances Manual should refer to other sections that are relevant. Specifically, this includes:

- Assets
- Accountable Officers
- Budget transfers within a head of expenditure
- Cash
- Changes to heads of expenditure
- Expenditure and procurement
- Fees and charges
- Reserve head of expenditure
- Grants and sponsorships
- Income
- Major, strategic and other projects
- In addition to the common risks identified in the background and introduction section of the manual a number of significant risks relating to this section include:
 - a States Body budgets to spend too much
 - a States Body budgets to spend too little, and so has insufficient funds to deliver its priorities
 - an Accountable Officer exceeds the approved expenditure limits

Principles

1. Accountable Officers should prepare detailed annual and high-level forecast income and expenditure Budget submissions for their States Bodies (and for those Funds defined in the Public Finances Law, including the Social Security Funds, Stabilisation Fund and Strategic Reserve Fund), together covering a 4 year period.
2. Accountable Officers should promote the integrity and quality of budgetary forecasts, financial plans and budgetary implementation.

3. Accountable Officers should consult with other Accountable Officers across departments where there are interdependencies in preparing income and expenditure Budget submissions to share ideas, initiatives and other thoughts in preparing their budgets.
4. Accountable Officers should have regard for macro-economic and local economic trends and draw on relevant available information prepared by or for the Government of Jersey. This will help identify, assess and prudently manage longer term sustainability and other fiscal risks.
5. The Accountable Officer of the lead States Body responsible for a common strategic priority of the Government of Jersey should ensure other States Bodies involved in the delivery of the objective are consulted when preparing the Budget submission to ensure expenditure is allocated in the most economic, efficient and effective manner. This principle should apply to any element of a Budget submission that is dependent upon or affects another department or project.
6. Accountable Officers should monitor expenditure and provide regular updates both to Treasury and Exchequer, their Minister(s) their States Body.

7. Requirements

1. Income and expenditure Budget submissions

With the exception of Non-Ministerial States Bodies, income and expenditure Budget submissions for States Bodies (and those Funds referred to in Principle 1 above) must be submitted to the Treasurer of the States prior to the preparation of the draft Government Plan, in accordance with the timetable (and any associated guidance) issued by the Treasurer of the States and in the format requested by the Treasurer. Accountable Officers of Non-Ministerial States Bodies and Schedule 6 Bodies must present their Budget submissions in accordance with the Public Finances Law to the same timetable and format.

2. The Budget submission must contain detailed income and expenditure for one year, and indicative income and expenditure for a further three years.

3. Projects

If an Accountable Officer wishes to include one or more projects in the income and expenditure Budget submissions, each project must first be approved by Treasury and Exchequer. Read the Major, strategic and other projects section for further details.

4. “Protected” spending within the Government Plan

The Government Plan must have regard to previous decisions of the States Assembly to set minimum levels of expenditure for categories of spending. These include:

- Jersey Overseas Aid
- Agriculture and Fisheries
- Arts, Culture and Heritage

Where a lodged Government Plan does not adhere to approved minimum expenditure levels it must set out why the Council of Ministers is recommending a different approach.

For the purpose of establishing whether agreed minimum expenditure levels have been met, the calculation will include all relevant items in any approved (or proposed) head of expenditure.

For the avoidance of doubt there may be multiple Accountable Officers for the total expenditure for the category.

Accountable Officers must ensure that budgeted commitments for the above categories of spending are met, and that these budgets are protected when prioritising spending within their heads of expenditure.

5. Social Benefits Payments (Employment, Social Security and Housing), including Student Finance (Children, Young People, Education and Skills)

Where amounts have been included in an approved Government Plan for “Social Benefits Payments, including Student Finance” these must not be spent for any other purpose without the express approval (by Ministerial Decision) of the Minister for Treasury and Resources.

Social Benefits Payments, including Student Finance is expenditure which varies depending upon demand and funding is allocated in a draft Government Plan on the basis of forecast demand for income support claimants, and student finance recipients. This formula-driven approach only covers demand (volume) and rate changes e.g. uplifts to existing income support rates in line with average earnings, and inflationary increase to student maintenance. It does not cover any change in policy or expansion in scope of income support or of student finance which must be agreed separately by the Council of Ministers.

As this expenditure is driven by policy approved by Ministers or the States Assembly, the burden of accountability for Accountable Officers is lessened. This expenditure, however, must still be administered according to policy and in an economic, efficient and effective way.

6. Savings

Where an approved Government Plan includes amounts for “savings”, these must be achieved by Accountable Officers for their areas of responsibility unless specifically agreed (by Ministerial Decision of the Minister for Treasury and Resources). The Council of Ministers may set out in a draft Government Plan a definition of the “savings” to be achieved.

7. Ongoing reporting to the Treasury and Council of Ministers

Accountable Officers must provide updates to the Treasurer of the States, comparing budgeted against actual income and expenditure of the States Body in the format prescribed by the Treasurer. High-level updates should be provided on a monthly basis, with more detailed reports every quarter. Monthly reporting should also include estimated cash flow requirements. The Treasurer must then report the corporate financial position quarterly to the Council of Ministers.

Internal communication

Accountable Officers must ensure that regular (at least quarterly) updates on performance against budget are provided to Directors for whom they are responsible and their responsible Minister(s). The format of these updates can be determined by the Accountable Officer, but they should ensure that the updates are clear and transparent, and appropriate to their audience.

Grants

Introduction and background

This section applies to all States Bodies as defined in the Public Finances Law and all States Funds created in accordance with the Public Finances Law.

This section is applicable to discretionary financial benefits paid to third parties'. Discretionary financial benefits typically have the following characteristics:

- a transfer to a recipient which may be in return for compliance with certain terms and conditions
- a transfer which may not directly give approximately equal value in return to the States (that is, there is a non exchange transaction so there may not be an exact pound for pound value)
- a recipient may have been selected on merit against a set of scheme specific criteria

When considering whether an item of expenditure should be classified as a grant or a contract for services, the following table will be of assistance:

Feature

Contracts for Services

Grants

Nature

Payment for specific services or goods

Transfer of funds for policy support

Control

Public body controls service delivery

Recipient controls use of funds

Risk

Contractor assumes most delivery risk

Shared risk, with less strict conditions

Accounting treatment

Procurement expense

Financial assistance

Purpose

To meet public body needs

To support recipient's objectives

Legal framework

Contract law and procurement rules

Public funding rules and grant agreements

It includes concessions against income (such as property rentals), concessions against property value and all transfers of value, monetary or otherwise. All new grant schemes must be submitted to the Group Director, – Commercial Services for approval of the scheme itself, as well as the proposed diligence and measurement framework to be put in place. This section includes a number of requirements in relation to new schemes.

For the avoidance of doubt, the definition excludes Contracts for Services and Social or Community benefits. Additionally, gifts, staff benefits, and hospitality are not forms of discretionary financial benefits, and are, therefore, also excluded.

Although donations may be considered a discretionary financial benefit, they are not included in the scope of this section (see Special Payments). Most States Bodies will rarely give or receive a donation, as they impose no obligations on the recipient and offer little or no rights or benefits to the provider. The ability to give or receive a donation would normally require a strong rationale and a high level of approval within a department and should be documented in the relevant department's Scheme of Delegation.

Users of this section should also refer to other sections of the Public Finances Manual that are relevant. Specifically this includes:

- Expenditure
- Arm's Length Bodies
- Special payments

In addition to the common risks identified in the Background and Introduction section of the manual a number of significant risks relating to this section include:

- the service for which the grant is given is not provided to the required standard
- the grant does not achieve the desired outcome
- the grant is incorrectly processed or recorded
- the grant is not properly monitored and or authorised
- the grant award costs more than if the States were to incur the direct expense
- the grant proposal is inefficient or unduly expensive
- the individual or body is awarded more than one payment
- by provision of a grant the States or Government of Jersey enters into a de facto longer term commitment

Principles

1. All grants should contribute towards the strategic aims, priorities and desired outcomes of the States of Jersey.
2. Grants should not be issued to the recipients before the funds are required.
3. In designing grant schemes, consideration should be given to elements of good practice, such as consideration of alternative funding mechanisms, risk management, consultation, evaluation and monitoring.
4. All grants should be processed in accordance with the departmental Scheme of Delegation.

5. Accountable Officers should ensure that financial resources are used in the most efficient and effective manner.

6. Accountable Officers should periodically review grants awarded for their effectiveness and timeliness in achieving agreed outcomes. The frequency of review should be determined at the outset and by reference to the quantum of the grant and perceived level of risk of achieving the desired strategic aims and outcomes.

7. All matters relating to the provision and administration of grants should have due regard for the principle of transparency.

8. Accountable Officers should consider arrangements for approval of executive remuneration in grant receiving bodies

9. Recipients of grants should be expected to be in compliance with their wider obligations to Government.

Requirements

1. General requirements for all grants

The accountable officer must:

- ensure grants have been used for their intended purpose
- ensure that funding agreements are in place for all grants. The format and complexity of the funding agreement should be proportionate to the value of the grant and the risk involved
- ensure that grant funding agreements for bodies receiving grants of £250,000 or over annually include arrangements for approval of executive remuneration
- ensure that they consider how they can demonstrate that criteria for the grant award are met or are expected to be met
- ensure that value for money outcomes are maximised and appropriate value for money measures for grants are included in funding agreements and subsequently used
- ensure that systematic quality checks are carried out for all grants in excess of £250,000. Where the grant is related to activity carried out by, and evidenced by information received from, the grant receiving body, independent checks should be carried out on that information
- ensure that the lessons learnt from the implementation of all COVID-19 support schemes are considered when designing future schemes established by Government to support businesses and individuals. Specific requirements are included in this section of the manual
- ensure that post payment audit checks take place on a timely basis for all benefits, grants and support schemes that rely on such checks as a key element of internal control
- ensure that conflicts of interest, present or perceivable, are managed
- establish effective and efficient administrative controls
- ensure due diligence is undertaken regarding grant recipients proportionate to value of grant and risk
- ensure that clear and unambiguous clawback arrangements are included in grant agreements where appropriate

- ensure that the Annual Accounts of those bodies which receive grant funding in excess of £75,000 from the States of Jersey are published as a report to the States Assembly. The Minister for Treasury and Resources will publish all Accounts received by 30th September each year, noting which ones have yet to be received. Accountable Officers should encourage bodies receiving grants over £75,000 to publish their own Annual Accounts
- take appropriate steps to reassure themselves grants are not provided where a recipient has not fulfilled wider governmental obligations

2. New grant schemes

The Accountable Officer must ensure that all new grant schemes are documented and submitted to the Group Director – Commercial Services for approval prior to introduction. Proposals must detail the proposed diligence and assurance arrangements to be put in place and should meet the following requirements:

- contribute towards the strategic aims, priorities and desired outcomes of the States of Jersey
- consider alternative options for funding the service need other than a grant scheme
- identify, assess and mitigate risks, including the risk recipients aren't complying with other government obligations
- consider experiences learned from other grant schemes – Government or States of Jersey or otherwise
- be stress tested (i.e. against all potential scenarios including volume of take up);
- be designed to minimise the potential for fraud
- include evaluation and review processes
- identify the target population for grants
- balance the uptake of grants against the cost of administration
- involve market sector expertise in their design where available
- consider any potential overlap with existing grant schemes operated by the States or any other body
- forecast and monitor scheme uptake
- consider the mechanism by which grant recipients should account for their performance
- consider the mechanism by which grant recipients should provide management information
- consider mechanisms to ensure grants are only used for the purposes intended;
- consider how to achieve a robust assessment of the capacity and capability of delivery partners
- consider the design of appropriate sanctions and rewards

3. Existing grant schemes

The Accountable Officer must review existing grant schemes against the requirements for new schemes at least annually. Any requirements not met must be documented, and the Accountable Officer should consider whether to amend the scheme.

4. Discretionary grants (grants not under a scheme)

The Accountable Officer must apply the following principles for discretionary grants and document that they have been considered:

- grants should only be used when they secure a Government or States policy outcome
- discretionary grants should not be used without first considering alternative policy mechanisms or existing grant schemes
- grants should not result in the States assuming responsibilities beyond statutory remit or create unsustainable ongoing commitments
- where small grants are used, they should be administered by the body that is able to do so most efficiently
- accountability requirements imposed on grant recipients should be proportionate to risk

Plus change within glossary:

Discretionary Financial Benefit

A transfer of value (monetary or otherwise) to a person or body to achieve results sought by States of Jersey policy. A discretionary financial benefit typically has the following characteristics:

- a transfer to a recipient which may be in return for compliance with certain terms and conditions;
- a transfer which may not directly give approximately equal value in return to the States (that is, there is a non-exchange transaction so there may not be exact pound for pound value); or
- a recipient may have been selected on merit against a set of scheme-specific criteria

Jersey Overseas Aid

Introduction and background

This section applies to the Jersey Overseas Aid Commission, known publicly as 'Jersey Overseas Aid', which is designated as a Specified Organisation in the Public Finances Law.

Jersey began its official overseas aid programme in 1968. Its current incarnation was established and is governed by the Jersey Overseas Aid Commission (Jersey) Law (2005). The organisation is governed by a Commission, which consists of three States members and three non-States members, all of whom are appointed by the States. They are legally responsible for managing the monies voted annually by the Government of Jersey for overseas aid. They are assisted in doing so by a team of directly-employed professional staff, led by an Executive Director.

Jersey Overseas Aid provides funding in the following ways:

- grants for development projects implemented through UK-registered charities and other recognised specialist aid agencies
- humanitarian aid and disaster relief through internationally-recognised relief agencies
- community work projects, where teams of Jersey volunteers undertake specific development projects overseas
- supporting Jersey charities in their work overseas, often on a matched-funding basis
- providing sponsorship and bursaries to Jersey citizens conducting charitable work overseas

The chair of the Jersey Overseas Aid Commission is also, by definition, the Minister for International Development, and vice versa. The Minister for International Development, in conjunction with the Commission, is responsible for policy on:

- a. promoting economic and social development in developing countries; and
- b. humanitarian aid overseas

Jersey Overseas Aid is not linked to any Department or States Body for funding purposes. It is a separate Head of Expenditure in the Government Plan.

Jersey Overseas Aid Commission remains an independent body governed by its own (2005) law, and is a separate legal entity from the Government of Jersey.

Jersey Overseas Aid complies with the Public Finances Manual, but due to the unique nature and overseas-focus of its work it has developed some policies and procedures of its own which may differ from those in the Public Finances Manual. This section lays out where Jersey Overseas Aid complies with and differs from the Public Finances Manual.

Principles

1. Jersey Overseas Aid recognises that it has a dual responsibility: to the world's poorest and neediest people, and to Jersey's taxpayers. Discharging this dual responsibility requires the same, fairly straightforward approach: a well-governed, professionally-staffed donor organisation making the most effective use of its budget, concentrating on areas where Jersey can add the most value, and focusing on long-term outcomes rather than short-term activities.

2. The Mission of Jersey Overseas Aid is 'To translate the generosity, skills and compassion of the people of Jersey into effective assistance for the world's neediest people'.

3. Jersey Overseas Aid's high-level objectives are laid out in its 5 year strategy plan and are the following:

- to promote sustainable economic and human development in some of the poorest countries on earth
- to provide timely humanitarian assistance to victims of natural and manmade disasters
- to facilitate the efforts of individuals and organisations in Jersey to provide assistance to the world's poor
- to enhance Jersey's international personality as a responsible global citizen and force for good in the world

4. Jersey Overseas Aid complies with international standards, set out by the Organisation of Economic Co-operation and Development Assistance Committee, in what constitutes Official Development Assistance. Jersey Overseas Aid aims to improve aid and development effectiveness and is guided by the principles of aid effectiveness, as set out in the 2005 Paris Declaration, the 2008 Accra Agenda for Action, the 2011 Busan Outcome Document and the 2014 Mexico Communiqué. The key principles for effective aid, defined in the Busan outcome, are:

- country ownership
- transparency and accountability
- focus on results
- inclusive development partnerships

Requirements

1. Accountable Officer

The Principal Accountable Officer may appoint an Accountable Officer for Jersey Overseas Aid who will ensure accountability to the Principal Accountable Officer for the use of resources. The Accountable Officer must be a full-time employee of the Jersey Overseas Aid Commission. In normal instances, the Accountable Officer will be the most senior full-time official of the Jersey Overseas Aid Commission. The appointment, responsibilities and other guidelines are covered in the Accountable Officers section.

2. Oversight

A specific Memorandum of Understanding is being developed between Jersey Overseas Aid and the Office of the Chief Executive, which will set out the administrative support which the Government of Jersey will provide to Jersey Overseas Aid. The Accountable Officer must ensure compliance with the forthcoming Memorandum of Understanding.

3. Compliance in full with Public Finances Manual

Jersey Overseas Aid complies in full with the following applicable sections of the Public Finances Manual:

- Accountable Officers in Specified Organisations

- Governance Statements
- Banking, as far as it relates to any banking in Jersey. Jersey Overseas Aid has no bank account of its own but should this change they would comply with the relevant requirements of this Section and as with the Section on cash the Scheme of Delegation would be submitted to the Treasurer for information purposes
- Foreign currency
- Major, Strategic and other Projects. The provisions only apply to Jersey Overseas Aid where the major projects are conducted within Jersey
- Reserve head of expenditure
- Financing or borrowing
- Guarantees and indemnities
- Lending
- Income. However, for the avoidance of doubt this section does not cover income from donations from third parties or underspends from approved overseas aid projects, which may be utilised by JOA without additional approval from the Treasury
- Internal recharges
- Risk management
- Internal Audit
- Losses and write offs

4. Majority Compliance with Public Finances Manual

Jersey Overseas Aid complies with the following sections of the Public Finances Manual with certain stated exceptions:

- Heads of Finance Business Partnering. JOA's Finance Business Partner is within the Treasury, and therefore not part of JOA's governance or decision-making structure (as specified in the manual). JOA has its own Finance Director with the relevant professional experience and qualifications specified in the section, and regular meetings are held to ensure the requirements of Governance, Internal Controls, Reporting and Scrutiny are upheld
- Consulting Treasury and Exchequer. Full compliance, except in section 3.2, where explicit approval is not required for matters relating to fees, staffing or remuneration
- Conflicts of interest. JOA operates its own register of gifts, hospitality and conflicts of interest, in compliance with the principles set out in the PFM. However, approvals are not required from individuals outside JOA
- Cash, as far as any cash is held in Jersey. The Scheme of Delegation and Treasury-specified maximum sum is not required for the use of cash floats for Community Work Projects abroad, although all other principles and requirements are adhered to in full
- Expenditure and Procurement. The provisions only apply to Jersey Overseas Aid where the expenditure and procurement are conducted within Jersey and (as noted) this section does not cover Grants. Jersey Overseas Aid uses States of Jersey expenditure systems and complies with relevant controls, where appropriate, and has established its own expenditure procedures and controls which are in line with International standards for expenditure on overseas aid projects. JOA is exempt from requiring approval by the Treasurer before entering into any lease agreement, or purchasing legal services or IT equipment. JOA has and follows its own Travel Policy

- Changes to Heads of Expenditures. Full compliance apart from being exempt from 3.6 (Under and overspends of revenue budgets). Any underspend at the end of the financial year may be transferred to the General Reserve but can be reallocated to Jersey Overseas Aid in the following year. This would need to be approved by a decision of the Minister for Treasury and Resources
- Special payments. Compliance with provisions except in so far as they restrict the JOA Commission in its legal entitlement to 'make the arrangements it thinks fit concerning the remuneration, expenses, pensions and other conditions of the employees, agents and honorary officers of the Commission'
- Annual financial Statements. Compliance except with the provision of requirement 2 on Semi-Annual Updates. Financial reports can be provided but not focusing on 'progress against objectives'
- Government Plan and budgeting. Majority compliance with this section. Expenditure proposals will be submitted directly by the Chairman / Minister for inclusion in the Government Plan, with no requirement for Treasury or peer pre-approval. There is no requirement (Principle 2) for an independent audit, beyond the States own internal and external auditing. There is no requirement for reporting against Key Performance Indicators. Zero-based budgeting is not relevant to JOA's modus operandi, and changes to expenditure plans within JOA's allocated budget envelope only require approval by JOA Commissioners
- Fees and Charges. Full compliance to the extent that this section is relevant, but this section does not affect Jersey Overseas Aid's ability to recover costs from volunteers deployed on projects abroad
- Acceptance of Gifts and hospitality and Gifts and hospitality offered. JOA operates its own register of gifts, hospitality and conflicts of interest, in compliance with the principles set out in the PFM. However, approvals are not required from individuals outside JOA
- Fraud. Jersey Overseas Aid recognises the need to have good financial practices including those related to fraud and will follow adheres to the Principles in this section but has developed its own policy, guidance and procedures, which follow international standards for development donors

5. Exemptions from Compliance with Public Finances Manual

Jersey Overseas Aid acknowledges the contents of the following sections of the manual and that they provide details on the governance structures within the States of Jersey but these do not apply to JOA or JOA is exempt from compliance. Should the current situation change the States Treasurer must be contacted:

- Accountable Officers in Government departments
- Accountable Officers in Non-Ministerial States Bodies
- Office of the Comptroller and Auditor General
- Role of the Minister for Treasury and Resources
- Role of the Treasurer of the States
- Assets. JOA's establishing law permits it to 'take, acquire, hold and possess all kinds of movable and immovable property, whether in perpetuity or on lease, to receive, hold and possess all kinds of gifts and legacies of movable and immovable property which may be made to it and to lease, sell or otherwise dispose of such property'. Although in

fact it has no assets which fall into the definition of this section – and is unlikely to acquire them – it reserves its right to acquire or dispose of them without additional consultation with the Treasury. It would do so in accordance with the Principles set out in the manual, but not the specific Requirements. - if the asset is in Jersey

- Leases. As with Assets, and as permitted by its law, JOA reserves the right to lease moveable or immoveable property, in Jersey or abroad, without additional consultation with the Treasury – if the lease is in Jersey
- Arm's Length Bodies
- Role of the Senior Responsible Officer
- Grants and Sponsorships. Awarding grants is the main task of the Jersey Overseas Aid Commission, and the organisation follows its own policies and procedures in this respect
- Budget transfers within a head of expenditure. Changes to expenditure plans within JOA's allocated budget envelope only require approval by JOA Commissioners.
- Grouped heads of expenditure
- Feasibility
- Rolling votes, replacement assets and minor capital
- Expenditure to meet an emergency
- Criminal Offences Confiscation Fund
- Fiscal Policy Panel
- Funds
- Reserve funding: letters of comfort
- Civil Asset Recovery Fund
- Court and case costs smoothing reserve
- Investments. Jersey Overseas Aid reserves the right to make impact-oriented investments in developing countries in accordance with Organisation of Economic Co-operation and Development guidelines and only to the extent that they remain eligible to be considered Official Development Assistance
- Trading operations
- Insurance. Jersey Overseas Aid has its own insurance, such as travel, public and employers' liability, Directors and Officers, Special Risks
- States Employment Board. All employees are direct employees of Jersey Overseas Aid
- Specific States Owned Entities
- Third party assets

Jersey Overseas Aid has developed and complies with its own travel policy, developed due to the nature of its work in difficult environments abroad.

Travel

Introduction and background

This section applies to all States Bodies as defined in the Public Finances Law and applies to Accountable Officers, budget holders and any officers who travel on official States or Government business, or any officers who are involved in booking travel or processing travel-related payments. It is designed to give clarity to employees when travelling on business about what is and is not allowable.

Patient travel is outside the scope of this section.

The following are within the scope of this section:

flights

accommodation associated with travel

ferry

trains, excluding Gatwick Express and London Underground

off-island car hire

taxis

Departmental travel policies may be issued in order to support compliance with this section and any relevant HR policies and codes. Departmental policies are only permitted to strengthen the controls in this section, not to dilute them.

Users of the Public Finances Manual should refer to other sections that are relevant. Specifically, these include:

Accountable Officers in Government Departments

Accountable Officers in Non Ministerial States Bodies

Expenditure and procurement

Acceptance of gifts and hospitality

Gifts and hospitality offered

Jersey Overseas Aid

Fraud, corruption and money laundering

Expenses

In addition to the common risks identified in the Background and Introduction section of the manual a number of significant risks relating to this section include:

unnecessary and/or unauthorised travel may be undertaken

travel may not be undertaken by the lowest cost means that is practical

officers travelling on States or Government business may benefit personally

expenses may be claimed that are not reasonable and necessary

Principles

1. Staff should remember that they are spending public money and are therefore expected to exercise prudence when planning trips off Island and making travel arrangements.

2. Trips off-Island should be necessary and undertaken by the lowest cost means that is practical, with consideration given to the carbon footprint or environmental impact as part of the selection criteria when appropriate.

3. Off-Island travel should be for the benefit of the States and Government of Jersey and any personal benefit must be incidental and properly declared.

4. Expenses claimed should be genuinely incurred, reasonable personal costs as a result of travel in line with allowances.

5. No employee should be able to authorise his or her own travel.

6. Where practical, travel off-island should be planned well in advance to minimise costs.

7. Pre-authorisation should be sought, and bookings made as soon as is reasonably practical after the need for travel has been identified and at least 14 days before travel where practical to do so. Evidence suggests costs increase significantly after this point.

8. Bookers should contact Commercial Services to ascertain whether BA on Business points are available to be used for long haul flights. If so, they should be used if this would result in lower cost to the department. Bookings should be made online through GBT AMEX (HRG), or by phone if the booking can't be completed online.

Requirements

1. Pre-authorisation

Unless exceptional operational circumstances apply, as per below, all trips must be approved in advance by the officer or their delegate, holding the budget from which the costs will be met, using the eform available on MyStates. Where a department is unable to use this form then an alternative form of authorisation can be used which must include the following details for each authorisation:

booker name

traveller name; job title and department

number of travellers

final destination

reason for travel

alternatives considered for travel

non-standard factors requiring Accountable Officer or delegate authorisation, such as non-economy flight, flight longer than six hours excluding Jersey-UK leg, extended stay for leisure, flexible ticket, staying with friends or family, subsistence allowances exceed the maximum amount normally claimable

start date

end date

cost centre

estimated costs (travel, accommodation, subsistence, other)

budget holder detail

other authorised detail

Authorisation sought must be for the maximum costs thought likely to arise. A degree of flexibility should therefore be included to allow for minor price increases e.g. for flights. If the authorised cost is exceeded by more than 25% once booking has taken place, then additional authorisation must be sought.

Obtaining pre-authorisation via the online form generates a unique approval number, the “T-number”, which must be used to make the booking(s) through GBT AMEX (HRG) (check below). Bookings cannot be made without a T-number.

Some travel requires approval directly by an Accountable Officer. In these instances, approval can be delegated in the departmental Scheme of Delegation to any senior officer reporting directly to the Accountable Officer, except that no officer can approve his or her own travel. The same officer cannot approve as budget holder and Accountable Officer or delegate, for example, where this additional level of approval is required it must be by two different officers except in very small departments where the Accountable Officer is the only budget holder. In these cases, the Accountable Officer can authorise in both capacities.

2. Exceptional circumstances where pre-authorisation is not possible

In exceptional circumstances approval can be sought after travel takes place but must still be obtained. In all cases departments should retain evidence of the reasons why authorisation was not sought. Retrospective approval must be sought from the budget holder, Accountable Officer or delegate, depending upon the type of travel involved, in accordance with this document had the travel been authorised in advance. Exceptional circumstances will normally be where travel out of office hours is urgently needed and it would genuinely not have been practical to seek authorisation. It will also apply where an employee has an urgent need for travel or accommodation when away from Jersey due to, for example, adverse weather conditions or traffic disruption. Officer safety must not be compromised. This provision will not apply where authorisation could have been sought earlier.

3. Travel by Accountable Officers

All travel by Accountable Officers themselves must be approved by another Accountable Officer or Chief Officer, or the Treasurer. Senior officers reporting to an Accountable Officer cannot authorise their own Accountable Officer's travel.

4. Class of travel

All travel between Jersey, the UK and Europe must be at economy, or equivalent lowest class unless otherwise authorised by the Accountable Officer or delegate. The Accountable Officer or delegate can approve premium economy or business class travel in appropriate, exceptional circumstances including:

if an employee is travelling with a Minister or elected Member who is travelling non-economy

if an employee would otherwise suffer significant physical discomfort, including that related to a medical condition

if the work commitment commences immediately on arrival

if non-trivial preparation is needed during the flight where it would not be achievable in economy class

5. Authorisation of long haul flights

All flights over six hours in duration, excluding the Jersey-UK leg, must be authorised by the Accountable Officer or delegate. The Accountable Officer or delegate can approve premium economy or business class travel for such flights, read requirement 4, Class of travel above.

6. Booking

Except where otherwise provided for in this requirement, bookings must be made through GBT AMEX (HRG) where GBT AMEX (HRG) offers the travel required. These must be coded to the correct cost centre.

In exceptional circumstances bookings can be made directly with hotels, airlines, etc. without using GBT AMEX (HRG). In all cases departments must retain evidence of the reasons why bookings were not made through GBT AMEX (HRG). Exceptional circumstances will normally be where travel out of office hours is urgently needed and it would not have been practical to phone the GBT AMEX (HRG) team. It will also apply where an employee has an urgent need to book travel or accommodation when away from Jersey due to, for example, adverse weather conditions or traffic disruption. This provision will not apply where booking could have been planned and made earlier, in which case a breach must be recorded unless an exemption was requested and approved.

Schools can, but are not required to, use GBT AMEX (HRG) to book travel for school trips that are not paid for from an approved States or Government head of expenditure, such as School Funds contributed to by parents.

7. Sea travel

Employees may travel by sea, including taking their own car where this is the most cost effective approach, where it can be demonstrated that this is the cheapest option or that there is another good reason for doing so. This decision must be approved in advance in accordance with procedures set out above.

8. Flexible tickets

Unless arrangements are likely to be changed before the departure date, a fixed ticket must be purchased. If no fixed tickets are available a flexible ticket may be booked but the reasons should be documented. Where travel is likely to be changed before the travel date, flexible tickets should be booked but pre-authorisation must be obtained from the Accountable Officer or delegate. As soon as travel is confirmed, and not subject to change, the cost of a fixed ticket should be obtained and, if cheaper, any flexible ticket already booked should be redeemed and the fixed fare booked.

9. Use of GBT AMEX (HRG)

Officers must not book travel using GBT AMEX (HRG) without having received training from GBT Amex (HRG), available through the Commercial Services - a recording is available via the Commercial Services website, or a super user, for example a user authorised by Commercial Services to carry out training, other than in exceptional circumstances, for example where an employee is away from Jersey and it is necessary to phone GBT AMEX (HRG) out of hours. Where training has been requested but isn't available, officers are able to book. No employee is permitted to have more than one active GBT AMEX (HRG) account. All users, bookers and travellers, must ensure that their personal GBT AMEX (HRG) profile, including business address, is up to date at all times.

10. Bookings using BA on Business points

These must be made by Commercial Services outside GBT AMEX (HRG).

11. Personal loyalty points

Where employees accrue personal loyalty points from business travel, they must make these available for future business travel where there are sufficient points to pay for a business trip. These bookings will need to be made outside of GBT AMEX (HRG) but authorisation must still be sought in accordance with the requirement above. Taxes and charges, which cannot be paid for using points, can be reclaimed as expenses.

Employees who travel more than 12 times in a financial year, or more than two international or business-class trips, with the same airline must include any personal points accrued in the gift and hospitality register for their department.

12. Train travel

When taking the train, employees must travel in the cheapest available class, except where the purchase of a more expensive ticket has been approved. If a more expensive ticket is booked this must be approved by the Accountable Officer or delegate or in line with the departmental scheme of delegation and the request should be supported by good business reasons. Train bookings made three days or more prior to travel must be booked through GBT AMEX (HRG), excluding Heathrow and Gatwick Express, which can be paid for direct and claimed as expenses. Tickets can be sent in the post or collected electronically from a ticket booth. Where the need for train travel is identified less than three days before travel, it is not compulsory to book in advance through GBT AMEX (HRG). Bookings must not be delayed to avoid the use of GBT AMEX (HRG). Where contactless debit/credit payment (where no receipt is provided) is used for London Underground tickets, payments can be reclaimed through the normal expenses process utilising bank/credit card statements as evidence of expenditure.

13. Hotel bookings

Hotel bookings must be made through GBT AMEX (HRG) unless an exemption has been agreed by the Group Director – Commercial Services, or their delegate, or exceptional operational circumstances apply. UK and European hotel bookings should be made online via GBT AMEX (HRG). Bookings beyond the UK and Europe must be made by phoning or emailing the GBT AMEX (HRG) team. Hotel bookings should be made at the same time the associated travel is booked. If, taking into account the traveller's reasonable needs, the cheapest available room night is not being booked there must be good reason, including officer safety, to justify the more expensive option. The reason(s) should be documented and retained with the booking confirmation. Advance payment for hotels must only be made if there is no reasonable doubt that the travel will be undertaken. Where accommodation is included in the cost of a course or conference then the booking need not be made through GBT AMEX (HRG), nor the cost of accommodation separately coded.

14. Alternatives to hotel accommodation

There are occasions where hotel accommodation does not offer the best value for money solution. These occasions include:

where a number of officers are travelling and staying together

where an officer is staying for an extended period of time, such as for a long course

In these instances, alternative accommodation, such as renting a flat, may be booked outside of GBT AMEX (HRG), but the Accountable Officer must retain evidence that the option chosen demonstrated better value for money than hotel bookings via GBT AMEX (HRG). If this is because one or more officers is staying for an extended period, which is more than 6 weeks in any 12 week period, then the Insurance section in Treasury and Exchequer must be informed.

15. Extended travel for leisure

Any travel which includes extended stays for leisure must be authorised by the Accountable Officer or delegate, including weekend trips where business travel is on a Friday or Monday. This does not apply where an employee is travelling the day before a meeting or course and there is no accommodation cost to the States and Government of Jersey. This also does not apply where one leg of the travel, or half the cost of the return trip, is met by the employee. Any additional costs as a result of the leisure element must be met by the individual. All bookings where the cost is being met by the States and Government of Jersey must be made through GBT AMEX (HRG) unless otherwise provided for in this section.

16. Family members

Employees are not permitted to book travel for family members through GBT AMEX (HRG) and pay the difference personally. Travel for family members must be booked and paid for personally and outside of GBT AMEX (HRG).

17. Upgrading at own expense

An employee travelling on official States and Government of Jersey business may book travel through GBT AMEX (HRG) at a class above that authorised provided they pay the difference, or are invoiced for the difference, between the fares personally at the time of booking, for example between economy and business class. Employees can use personal loyalty points earned from personal travel for this purpose. Documentary evidence of any difference must be retained with the booking confirmation documentation.

Departments should ensure that the information in Connect Finance relating to the reimbursement allows identification of the trip concerned.

18. Expenses

If reasonable and unavoidable expenses are claimed, they must be done so in accordance with the Expenses section of this manual.

19. Claiming for incidental travel

The cost of public transport or taxis can be reclaimed for journeys to and from the airport or station, and to and from accommodation and the place of work whilst away. Guidance below sets out when it may be appropriate for taxis to be claimable. Employees may use their own car to travel to and from the airport and reclaim the cost of parking, providing that the cost of doing so is cheaper than using a taxi or public transport, as appropriate. Employees must use the best value option at all times, taking into account matters such as personal safety.

20. Staying with friends and family

Where an employee chooses to stay with friends or family rather than in a hotel, an allowance may be given if claimed. This must be approved in advance by the Accountable Officer or delegate. The maximum allowance claimable is £35 per night given the potential saving in accommodation costs to the States and Government of Jersey. Where an allowance for staying with friends or family is claimed by an employee then subsistence allowances may not also be claimed. Travel costs may be claimed in line with the requirements set out in this section. The total allowance and expenses claimed should be the most cost-effective option, for example the cost of the allowance claimed for staying with friends plus the cost of additional travel associated with staying with friends or family should not exceed what a hotel would have cost.

21. Parking and driving fines

Parking fines, and any other driving fines, are not normally reclaimable and must be met personally and promptly by the employee incurring the fine. In exceptional circumstances (for example illness) the Accountable Officer may authorise reimbursement.

22. Subsistence

Subsistence allowances are to provide for meals and light refreshments, which are not included in any charge for accommodation or event. As a general rule, expenses while travelling should not be claimed if they would not be claimable for a normal business day in Jersey. The maximum subsistence and other expense amount normally claimable on production of receipts are as follows:

if breakfast is included in the hotel room rate but not taken the cost of an additional breakfast may not be claimed. Where breakfast is not included in the room rate officers may claim up to £10 for breakfast per day

officers may claim for lunch and/or dinner, up to a maximum value of £30 combined, inclusive of VAT and GST, per day. Pre-approval must be obtained for meals. Where possible they should be booked as part of the accommodation package

alcohol is not permitted when claiming subsistence unless approval has been received from the budget holder or Accountable Officer or delegate. Approval should be sought at pre-authorisation stage wherever possible

Any amounts claimed in excess of these limits must be approved by the Accountable Officer or delegate.

Claims for subsistence whilst travelling must comply with the Expenses section of this manual.

Tips, gratuities and service charges may only be claimed where these are non-discretionary and added to receipted bills.

Reasonable costs incurred for an employee on States and Government of Jersey business to return to Jersey in the event of an emergency will be met in full.

The following expenses are not normally claimable:

personal articles, such as toiletries, magazines, newspapers

stolen, lost or damaged personal property

subsistence on or off-Island when working to normal pattern

office supplies

barber, hairstylist

any fines for infringements of laws or regulations

traffic and parking fines

hotel movies, games and other discretionary charges

laundry and dry cleaning

additional travel insurance coverage

medical expenses

claims for room service (above the allowance of £30 for lunch and/or dinner)

alcohol

However, in appropriate circumstances employee may submit claims for the above subject to approval from the budget holder or Accountable Officer or delegate. Approval should be sought

at pre-authorisation stage wherever possible. For example, claims for room service may be permitted where a member of staff is travelling alone. In certain circumstances, such as lost luggage, retrospective claims may be submitted for approval.

Rules concerning giving and receiving gifts and hospitality are contained in other sections of this manual. If permissible under those sections, such expenditure may be reclaimed.

23. Travel by consultants

Departments must encourage consultants visiting Jersey to allow their travel and accommodation to be booked by the States and Government of Jersey using GBT AMEX (HRG). Where they prefer to book travel themselves, contracts should detail which expenses are claimable. For the purpose of this section consultants includes any visiting individual who is not an employee of the States or Government of Jersey but whose expenses will be met by the Jersey taxpayer.

24. Car hire

Car hire can be booked through GBT AMEX (HRG) where the approver considers that this represents the lowest cost option. Car hire is only acceptable in appropriate circumstances, for example if there are several employees travelling together, it could be more cost effective compared to taking a taxi, or if the destination is not near to public transport facilities. The States and Government of Jersey have a preferred hire car company for UK car hire which must be used where available.

It is the responsibility of the named driver to deal directly with the car hire company regarding any fines or damage claims during their hire period. Commercial Services will forward on any invoices they receive to the named driver. Details are on the Commercial Services website.

25. Other expenses

Other expenses may be claimable if directly related to travel undertaken for work purposes and the expenditure would not have been made if the travel has not taken place. This can include vaccinations and visas.

26. Insurance

All employees undertaking a business journey outside Jersey will automatically be covered in the vast majority of cases under the States and Government of Jersey travel insurance policy. However, there are instances where additional insurance arrangements may be necessary, for example where an employee intends to travel to an 'area of unrest' (any country, or area within a country, which the Foreign and Commonwealth Office is advising against all travel to) or is required to carry an unusually large amount of physical cash.

Occasionally large numbers of employees will travel together on the same aircraft. If more than six staff are to travel together the States and Government of Jersey's insurers should be notified at least seven days before the trip takes place. Employees should seek appropriate advice where in doubt and ensure they are adequately insured.

Where one or more officers is staying away working for an extended period, for more than 6 weeks in any 12 week period, then the Insurance section in Treasury and Exchequer must be informed.

The States and Government of Jersey travel insurance arrangements cover car hire within the United Kingdom, Channel Islands and the Isle of Man. Where the States and Government of Jersey preferred hire car company is not used, users should refer to the UK hire car vehicle summary, which is on the insurance web site, before making a booking to ensure that the requirements when booking car hire with an alternative provider are met. Where the States and Government of Jersey preferred hire car company is not used the individual could be asked to secure a deposit against their personal credit card to guarantee the excess. Where a car is hired in a location not covered by the corporate policy, the complete package, including insurance, offered by the car hire company should be taken.

Travellers who are not employees, or acting as employees, are not covered by the States and Government of Jersey travel insurance policy. Those not covered include visiting experts and advisers, interview candidates travelling to and from Jersey, clients or relatives of clients whose travel has been paid for by States and Government departments as part of service delivery. Departments are responsible for clarifying what the arrangements are for groups and individuals not covered by the States and Government of Jersey's standard travel insurance prior to paying for or arranging their travel.

27. Taxis

Taxis may be used if this is the best value for money form of transport, for example when two or three employees travelling together, or if there are other good reasons for doing so, such as:

speed - when the employee is running late for a meeting or flight

practicality - if the destination is situated a long way from any public transport, the employee is travelling with large amounts of luggage or equipment or this is the only means of transport in the event of a transport strike

safety - when travelling outside of commuting hours or in an unknown area to ensure personal safety

medical reasons - for example disability

The claim must specify the reason a taxi was used.

Employees may travel by taxi where the conditions above are not met but they must fund the cost themselves.

Taxi fares may be claimed in Jersey but only if one or more of the above conditions is met and no other means of travel are practical, such as bus, walking, pool car or lift with a colleague. Ideally these should be booked on the corporate account in advance.

Receipts must be obtained for all taxi fares and as part of the claim the employee must document the reason for the journey and why public transport was not used. Employees must not claim in respect of taxis for personal trips.

28. Travel by Minister or Assistant Ministers

Arrangements for Ministers and Assistant Ministers are set out in the “Codes of Conduct & Practice for Ministers and Assistant Ministers” published as R.31/2024. Ministers and Assistant Ministers are expected to be satisfied that the costs they incur on travel and expenses can reasonably be justified in public as being efficient and cost effective and are required for and related to their ministerial office. In achieving this, they should seek to incur costs as part of an advance booking, using corporate arrangements wherever appropriate or practical in the circumstances. They must also be satisfied with the arrangements made on their behalf and the expenses they look to claim afterwards.

If an expense being claimed could be considered inappropriate, Ministers and Assistant Ministers may be asked to either repay the expense personally or issue a formal internal note that the Public should pay the expense and the reasons why. A copy of this shall be provided to the Chief Minister and Chief Executive Officer.

29. Travel by other States Members

Whilst States Members who are not Ministers or Assistant Ministers are technically not bound by this section of the manual, the Greffier of the States, as Accountable Officer for their expenditure on travel, must be satisfied that expenditure does not compromise that individual’s legal obligations for ensuring propriety, regularity and value for money. The Greffier is therefore able to challenge arrangements and claims at their discretion.

30. Reporting

All expenditure on either flights or hotels per individual trip over £500 must be published twice yearly on the gov.je website. This will redact names and any other sensitive data.

31. Travel to Areas of Unrest

Any proposed travel to Areas of Unrest (as listed on the UK foreign office website) must be notified to the Insurance Advisor 14 days in advance of any travel taking place.