

# Accountability Report

# Corporate Governance Report

The Corporate Governance Report explains the composition and organisation of the States of Jersey and our governance structures and how they support the achievement of the States' objectives. It includes The Directors' Report and the Governance Statement, which includes descriptions of significant governance issues and key risks facing the organisation.

The purpose of this report is to demonstrate how we have implemented the principles of good corporate governance and to outline how we have reviewed our system of internal controls during 2021.

## The Directors' Report

### Ministers and Accountable Officers

Details of individuals who served as Ministers, the Principal Accountable Officer and Accountable Officers are set out in the Governance Statement with disclosures in respect of remuneration included in the Remuneration and Staff Report.

### Directorships and Significant Interests

Under the Standing Orders of the States of Jersey, details of directorships and other significant interests held by Ministers (and all States Members) are set out in the Register of Interests held by the Greffier of the States and are available on the respective Member's pages on the States Assembly website.

The Register of Interests is used to identify parties related to Members of the States of Jersey for the purpose of preparing disclosure of related party transactions in the States of Jersey Annual Report and Accounts.

In accordance with the requirements of the Public Finances Manual, the Government maintains a register of interests which records details of directorships and other significant interests held by the Principal Accountable Officer and Accountable Officers. For this section, Directors are defined as members of the Executive Leadership Team.

Details of Related Party Transactions, including those arising as a result of the interests of Ministers and Directors, are listed in the Financial Statements at Note 4.24 – Related Party Transactions.

## Governance Statement

### Executive Officers

Details of Ministers and the Accountable Officers responsible for ensuring effective governance arrangements during the period were as follows:

### The Council of Ministers

Jersey's Government comprises the Chief Minister and eleven Ministers, who, with the support of the Assistant Chief Ministers, collectively form the Council of Ministers. The States Assembly elects the Government by way of appointing the Chief Minister and voting on the Chief Minister's nominations for Ministers. In addition, Ministers, with the consent of the Chief Minister, may appoint their own Assistant Ministers, ensuring that the combined total of members appointed as Ministers and Assistant Ministers does not exceed 21, and therefore remains in the minority in the States Assembly.

The following Ministers were in post during 2021:

Name	Area of Responsibility
Senator John Le Fondré	Chief Minister
Senator Lyndon Farnham	Deputy Chief Minister, Minister for Economic Development, Tourism, Sport and Culture
Deputy Scott Wickenden from 29 June 2021 <sup>1</sup> (Senator Vallois to 10 January 2021 <sup>2</sup> ) (Deputy Macon from 9 February to 7 June 2021)	Minister for Children and Education
Senator Ian Gorst	Minister for External Relations and Financial Services
Deputy Carolyn Labey	Minister for International Development
Deputy Kevin Lewis	Minister for Infrastructure
Deputy Judy Martin	Minister for Social Security
Deputy Russell Labey from 9 February 2021 (Deputy Macon to 9 February 2021)	Minister for Housing and Communities
Deputy Gregory Guida from 29 June 2021 (Constable Norman to 2 June 2021)	Minister for Home Affairs
Deputy Susie Pinel	Minister for Treasury and Resources
Deputy Richard Renouf	Minister for Health and Social Services
Deputy John Young	Minister for the Environment

<sup>1</sup>This is the date a minister was formally appointed to role.

<sup>2</sup>Date of resignation.

## The Council of Ministers



**Senator  
John Le Fondré**

Chief Minister



**Senator  
Lyndon Farnham**

Deputy Chief Minister,  
Minister for Economic  
Development, Tourism,  
Sport and Culture



**Deputy Scott  
Wickenden**

Minister for Children and  
Education



**Senator  
Ian Gorst**

Minister for External  
Relations and Financial  
Services



**Deputy  
Carolyn Labey**

Minister for International  
Development



**Deputy  
Kevin Lewis**

Minister for  
Infrastructure



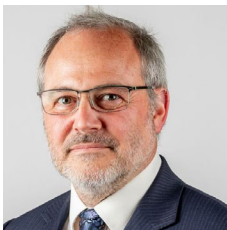
**Deputy  
Judy Martin**

Minister for  
Social Security



**Deputy  
Russell Labey**

Minister for Housing and  
Communities



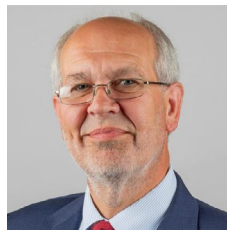
**Deputy  
Gregory Guida**

Minister for  
Home Affairs



**Deputy  
Susie Pinel**

Minister for Treasury  
and Resources



**Deputy  
Richard Renouf**

Minister for Health  
and Social Services



**Deputy  
John Young**

Minister for the  
Environment

The Council of Ministers can direct Ministers on policy matters, and as per the Code of Conduct, the more important and cross-cutting an item, the higher the obligation on an individual Minister to take a matter to Council. Council can make decisions acting as the collective government of Jersey, and where executive political decisions are not taken by individual Ministers, however so done, they are taken by the Council of Ministers.

## Accountable Officers

The following table identifies the Accountable Officers serving during 2021.

Chief Executive Officer	Position	Accountable Officer
Principal Accountable Officer	Chief Executive	Charlie Parker to 31 March 2021 Paul Martin (interim CEO and PAO from 1 April 2021)
<b>Ministerial Departments</b>		
Office of the Chief Executive: Chief of Staff Communications External Relations	Chief of Staff Director of Communications Group Director	Catherine Madden Dirk Danino-Forsyth Kate Nutt
Treasury & Exchequer	Treasurer of the States and Director General	Richard Bell
Chief Operating Office	Chief Operating Officer and Director General	John Quinn
Strategic Policy, Planning and Performance	Director General	Tom Walker
Economy (formerly part of OCE)	Director General from 1 September 2021 Acting Director General – to 31 August 2021	Richard Corrigan
Justice and Home Affairs	Director General Acting Director	Julian Blazeby to 15 October 2021 Kate Briden from 15 October 2021
Health and Community Services	Director General	Carolyn Landon
Children Young People Education and Skills	Director General	Mark Rogers
States of Jersey Police	Chief of Police	Robin Smith
Infrastructure Housing and Environment	Director General	Andrew Scate
Customer and Local Services	Director General	Ian Burns
<b>Non Ministerial Departments</b>		
States Assembly (States Greffe)	Greffier of the States	Mark Egan
Law Officers' Department	Practice Director	Alec Le Sueur
Viscount	Viscount	Elaine Millar
Judicial Greffe	Judicial Greffier	Adam Clarke
Office of the Lieutenant Governor	Chief of Staff and Private Secretary	Justin Oldridge
Official Analyst	Official Analyst	Nick Hubbard
Bailiffs Chambers	Chief Officer	Steven Cartwright
Probation and After Care Service	Chief Probation Officer	Mike Cutland
Office of the Comptroller and Auditor General	Comptroller and Auditor General	Lynn Pamment

Other		
Jersey Overseas Aid	Executive Director	Simon Boas
Trading Operations		
Jersey Car Parking	Director General - Infrastructure, Housing and Environment	Andrew Scate
Jersey Fleet Management	Director General - Infrastructure, Housing and Environment	Andrew Scate
States Body / Fund		
Strategic Reserve fund Stabilisation Fund Insurance Fund Assisted House Purchase Scheme 99 Year Leaseholders Scheme Agricultural Loans Fund Housing Development Fund Criminal Offences Confiscation Fund Civil Assets Recovery Fund Social Security (Reserve) Fund Channel Islands Lottery (Jersey) Fund Tourism Development	Treasurer of the States and Director General Treasury and Exchequer	Richard Bell
Jersey Innovation Fund Jersey Reclaim Fund Fiscal Stimulus Fund	Director General – Economy from 1 September 2021 Acting Director General – Economy to 31 August 2021	Richard Corrigan
Climate Emergency Fund: Sustainable Transport Initiatives Strengthening Environmental Protection Island Plan Policy	Director General – Infrastructure, Housing and Environment	Andrew Scate
Climate Emergency Fund: Sustainable Transport Strategies Policy development of Carbon Neutral and Sustainable Transport Strategies	Director General – Strategic Policy, Planning and Performance	Tom Walker
Social Security Fund Health Insurance Fund Long Term Care Fund Jersey Dental Scheme	Director General - Customer and Local Services	Ian Burns

## The Governance Framework

The Governance Framework comprises the systems, processes, cultures, values and procedures through which the States of Jersey is directed and controlled and the activities through which it accounts to and engages with the Islanders.

This framework enables monitoring of the delivery of the States’ strategic objectives and analysis of whether these objectives have delivered appropriate services and value for money. The framework aims to ensure that in conducting its business the States:

- Operates in a lawful, open, inclusive and honest manner
- Makes sure that public money is safeguarded, properly accounted for and used economically and effectively
- Has effective arrangements for managing risk
- Secures continuous improvements in the way that it operates.





## Scope of Responsibilities

The Public Finances (Jersey) Law 2019 makes the Chief Executive the Principal Accountable Officer (PAO), answerable to the States and accountable to the Council of Ministers. The PAO may appoint Accountable Officers (excluding those in Non-Ministerial Departments) to exercise functions as determined but the PAO maintains overall responsibility for ensuring the propriety and regularity of the finances of States bodies (excluding Non-Ministerial Departments) and funds and ensuring that the resources of States bodies and States funds are used economically, efficiently and effectively.

Each Accountable Officer is personally accountable for the proper financial management of the resources under his/her control in accordance with the Law, any sub-ordinate legislation and financial directions, including ensuring that public money is safeguarded and properly accounted for, used only for those purposes approved by the States and used economically, efficiently and effectively.

Each Accountable Officer (excluding those in Non-Ministerial Departments) is responsible for exercising the functions that are determined by the PAO, and that apply to that accountable officer (if any) as specified in any relevant enactment of the States. In discharging their financial responsibilities, Accountable Officers must ensure that robust governance arrangements are in place, which include a sound system of internal control and arrangements for the management of risk.

As part of the year end audit process, Accountable Officers provide a Governance Statement which consists of a declaration confirming they have properly discharged their duties for their area(s) of responsibility and details of any issues arising during the period that need to be reported.

## Legal Framework

A number of key laws collectively set the procedures for the governance of the operations of the Government, public finances, the employment of States employees and, during the pandemic, the arrangements for declaring an emergency:

- Employment of States of Jersey Employees (Jersey) Law 2005;
- the States of Jersey Law 2005;
- the Public Finances (Jersey) Law 2019;
- Comptroller and Auditor General (Jersey) Law 2014;
- Emergency Powers and Planning (Jersey) Law 1990.

## The Public Finances Manual

The Public Finances Manual provides guidance on how to apply the Public Finance (Jersey) Law 2019 and therefore helps ensure the proper stewardship and administration of the Law and of the public finances of Jersey. Accountable Officers are required to comply with the Public Finances Manual and other key controls, including departmental risk management measures, and resource management policies.

## Accountable Officers

All Accountable Officers have provided a Governance Statement which confirms, to the best of their knowledge, that governance arrangements operated adequately in their area(s) of responsibility during 2021 and/or steps are being taken to address known areas of weakness. Internal Audit have reviewed these statements for consistency and compliance.

Weaknesses identified by Accountable Officers are detailed below in the section “Update on Governance Issues”.

## Internal Audit

The Treasurer of the States, under the Public Finances (Jersey) Law 2019, is responsible for establishing a system of internal audit and for designating a person as chief internal auditor. The chief internal auditor is required to deliver a service that is compliant with professional Internal Audit Standards and for providing an annual opinion of the adequacy of the internal control environment to the Principal Accountable Officer, Treasurer and the Risk and Audit Committee.

## The Comptroller and Auditor General (C&AG)

The C&AG is required to provide the States with independent assurance that the public finances of Jersey are being regulated, controlled, supervised and accounted for in accordance with the Comptroller and Auditor General (Jersey) Law 2014. Any governance issues arising from C&AG reports are reflected in the reviews of effectiveness section below.

The C&AG appoints the external auditors of the States of Jersey. The report of the auditor, Mazars LLP, is included within the accounts.

## Governance and risk during the COVID-19 Pandemic

The Covid-19 Pandemic required the Government to put in place emergency procedures and governance mechanisms never previously required. The governance structure shown below became operational during March 2020 in order to provide a co-ordinated response to the risks, issues and actions required for the Island to respond to the threat from Covid-19. Whilst the worst effects of the first wave of the pandemic had significantly reduced by July, the structures were retained due to the threat of a second and subsequent waves. During November the governance arrangements were once again operationalised to respond to increasing cases and expert advice from the Scientific and Technical Advisory Cell.

## Overview of the Roles in the Decision-Making Process during COVID-19

### Emergencies Council

The Emergencies Council sat to co-ordinate and support any work to prepare for, or respond to, the emergency, including needing to agree the exercise of Competent Authority powers. If, as a last and necessary resort, a state of emergency is called by the Lieutenant Governor, the Council can act as a collective decision-body in any area of response and has wide ranging powers to amend enactments by Order, without the requirement for the prior approval of the Assembly for the period of the emergency. The Emergency Powers and Planning (Jersey) Law 1990 sets out the provisions for responding to an emergency.

### Individual Ministers

In advance of a state of emergency being declared, individual Ministers continue to exercise their statutory and non-statutory powers. These include powers under enactments within their authority, to make Orders or Propose Regulations, and pursuant to the Covid-19 (Enabling Provisions) (Jersey) Law 2020, Ministers could propose wide ranging reforms to the Assembly, to consider and approve necessary changes.

### Competent Authority Ministers

**(Chief Minister, Minister for External Relations, Minister for Economic Development Tourism Sport and Culture, Minister for Infrastructure, Minister for Home Affairs, Minister for Health and Social Services)**

Competent Authority Ministers only act in their areas of competency, for example, the MHA has powers as a Competent Authority Minister over Gas and Postal Services, with the agreement of Emergencies Council. Outside of his or her areas of competency, a Competent Authority Minister is simply acting in his or her ministerial capacity, that is, not as a Competent Authority Minister.

Competent Authority Ministers did not make collective decisions, as their powers are individual and narrow and executed by making orders, but they did confer and advise each other, and they do largely hold the core powers, whether as Ministers, or as Competent Authority Ministers, that are needed in the event of an emergency. The Treasury Minister and Minister for Education were invited to Competent Authority meetings and circulations given the importance of their portfolios.

## Council of Ministers

The Council of Ministers can direct Ministers on policy matters, and as per the Code of Conduct, the more important and cross-cutting an item, the higher the obligation on an individual Minister to take a matter to Council. Council can make decisions acting as the collective government of Jersey, and where executive political decisions are not taken by individual Ministers, however so done, they are taken by the Council of Ministers.

## Officer Groups

### *Strategic Co-ordination Group*

The Strategic Co-ordination (Gold) Group (SCG) had the main strategic co-ordinating responsibility for the command and control of emergency services, and other agencies, responsible for dealing with the immediate response to the pandemic.

The SCG was also concerned with considering and assessing updated intelligence and information from various sources to help determine strategy, and give clear direction to its Operational (Bronze) Commanders through the Gold, Silver and Bronze Command structure.

### *Tactical Co-ordination Group*

The Tactical Co-ordination (Silver) Group (TCG) is a multi-agency group of tactical (silver) commanders that met to determine, co-ordinate and deliver the tactical response to the emergency within the parameters set by the SCG. The TCG ensured that the actions taken at the Operational level were co-ordinated, coherent and integrated to achieve maximum effectiveness and efficiency.

The Tactical Co-ordination (Silver) Group (TCG) is a multi-agency group of tactical (silver) commanders that met to determine, co-ordinate and deliver the tactical response to the emergency within the parameters set by the SCG. The TCG ensured that the actions taken at the Operational level were co-ordinated, coherent and integrated to achieve maximum effectiveness and efficiency.

All meetings had formal terms of reference, escalation points, record of discussion, rationale for decisions and action points.

## Risk Management and the Risk and Audit Committee

The Government faces a wide range of uncertainties, challenges and opportunities as it seeks to realise its ambitions for Islanders. Effective governance and risk management is recognised as an essential component of assisting the public service to become a modern, forward-looking organisation which is capable of delivering long-term outcomes and efficient and effective services.

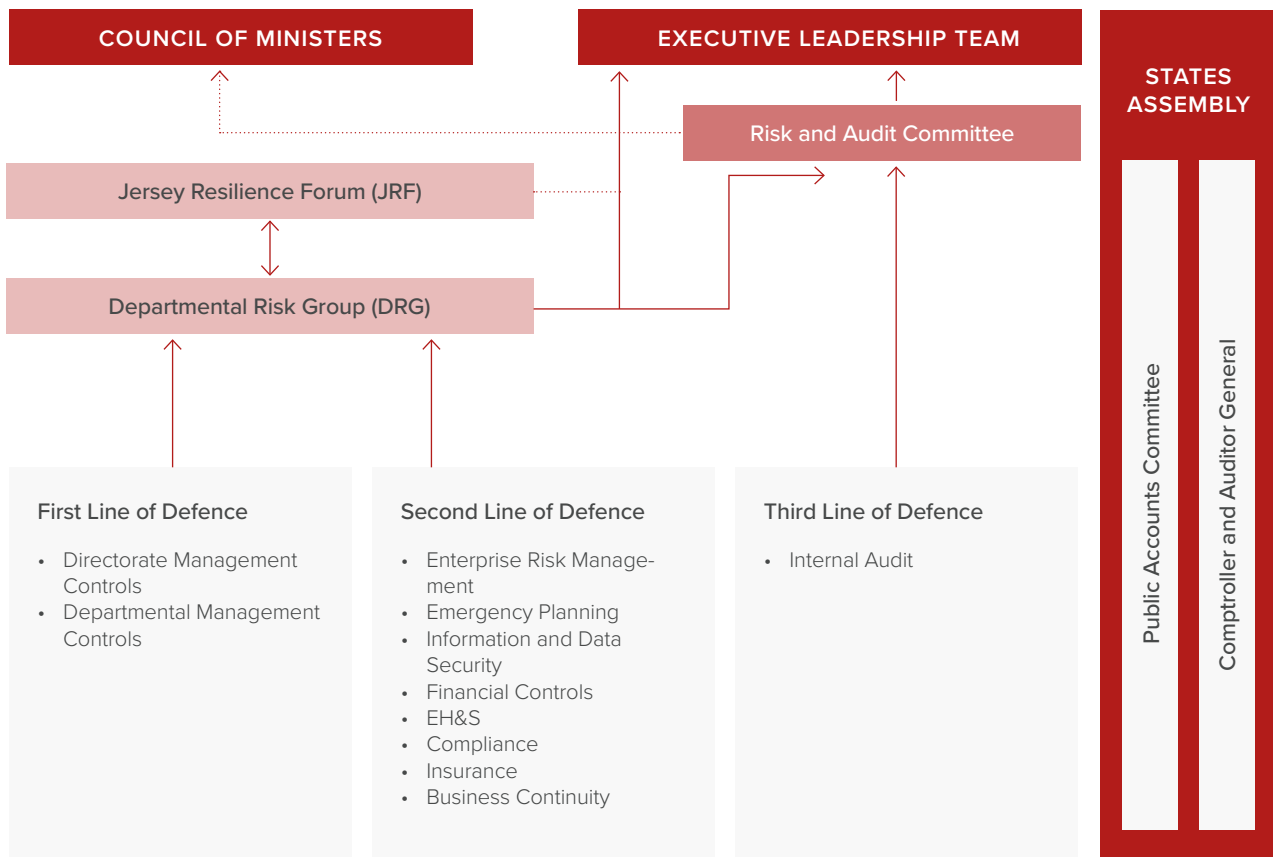
In order to help with the assessment and evaluation, risks are broadly categorised as follows:

- Financial – risks that relate to a weakness in financial controls, for example, financial fraud;
- Service delivery;
- Reputational;
- Legal and regulatory;
- People health and safety;
- Economic;
- Environmental and social.

## How risk is controlled

Our risk management approach is grounded in a no blame culture and for bad news to be reported immediately and in accordance with prescribed escalation guidelines so there is sufficient notice to determine an effective response.

## Risk Management – Roles and Responsibilities



A key component of Government’s risk management system is providing assurance, not only about the overall risk management system (which is the domain of the Risk and Audit Committee) but as importantly on the effectiveness of the controls put in place to mitigate the impact of any risk (which will be considered by the ELT or Departmental Risk Group as appropriate)

## Council of Ministers

The Council of Ministers has responsibility for ensuring the Government of Jersey delivers on its strategic priorities by holding the ELT to account and in relation to risk management has responsibility for:

- Setting the tone and influence for the culture of risk management across the Government of Jersey and with partners;
- Determining the nature and extent of the principal risks it is willing to take in relation to achievement of its strategic priorities;
- Setting the priorities for delivery by the Executive Leadership team

- Reviewing the Corporate Risk Register on a regular basis and receiving feedback from the Principal Accountable Officer and the Risk and Audit Committee as to the effectiveness of the risk management systems; and
- Conducting an annual review of the effectiveness of the risk management systems in support of the Annual Accountability Report and Governance Statement.

## Executive Leadership Team (ELT)

ELT has responsibility for ensuring that the Government of Jersey deliver on its strategic priorities and in relation to risk management, ELT has responsibility for:

- Setting the tone and influence for the culture of risk management across the Government;
- Overall accountability for ensuring that a system is in place for identifying, assessing and managing existing and/or emerging risks;
- Determining the nature and extent of the principal risks it is willing to take in relation to its strategic objectives;
- Conducting an annual review of the effectiveness of the risk management systems in support of the governance statement and the Statement of Internal Control;
- Ensuring risk is appropriately considered in items or activities that require political direction; and
- Regularly reviewing the Strategic Risk Report (or equivalent risk report showing corporate risk profile) and ensuring alignment with the Government's Strategic Priorities.

## Risk and Audit Committee

The Risk and Audit Committee is responsible for ensuring proper arrangements exist for risk management and establishing appropriate internal controls. The committee considers and advises ELT on the following issues:

- The effectiveness of the current enterprise risk management process and policies including the review process into the corporate risk register;
- Development, management and monitoring of risk management activities;
- Assurance relating to the adequacy and effectiveness of the risk, control and governance processes across the Government; and
- Aligning the Government's strategic risk strategy against strategic priorities and good practice.

For 2021, the membership of the Risk and Audit Committee comprised an independent chair and two other independent members with a requirement of two members being present for the meeting to be quorate. The Risk and Audit Committee summarise their work in an annual report which is presented to and considered by the Executive Leadership Team.

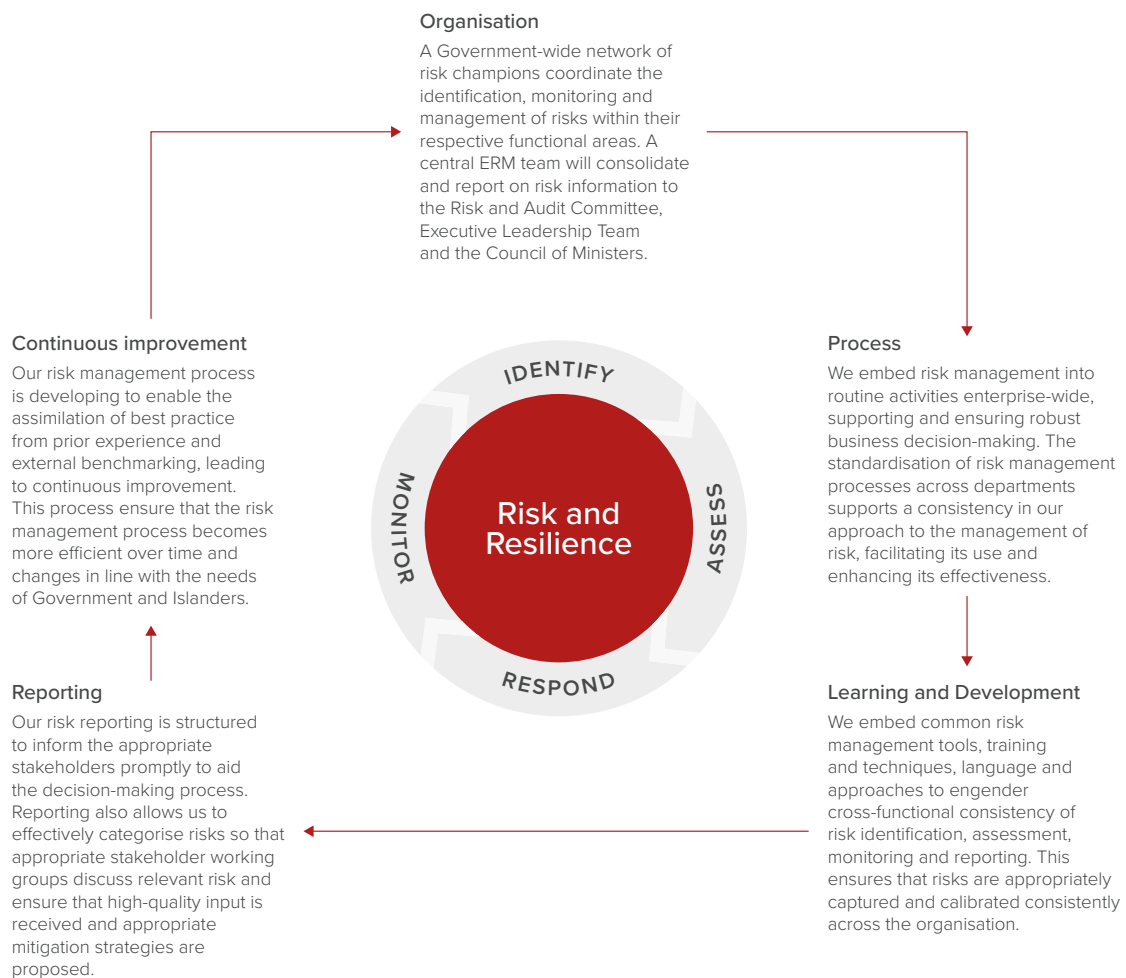
The membership of the Committee throughout 2021 comprised:

Name	Position	Appointment date
Vineeta Manchanda	Chair (Risk and Audit) / Independent Member	01/10/2018 – to date
John Kent	Independent Member	28/11/2019 – to date
David Smith	Independent Member	28/11/2019 – to date

## Risk Management – Developments in 2021

We have continued to develop our strategy for the management of risk, and the Enterprise Risk Management (ERM) framework sets out the basis for risk and evidence-based decision making. It remains our ambition is to embed risk into the decision-making of the organisation in line with the process shown below.

The global risk landscape and how that translated into a local context in Jersey continued to be challenging with the continued compound effects of global pandemic, geopolitical tensions and socio-economic pressures. Further progress has been made on the approach to ERM during 2021 and a roadmap setting out key developments and goals is in place to deliver further improvement in 2022.



Notable developments in 2021 included the development of joint working with the Emergency Planning Group to develop a National Security Risk Assessment based approach to the capture of risk on the Community Risk Register. This work is being undertaken in shadow form in advance of introducing legislation equivalent to the UK Civil Contingencies Act. Capturing risk on the Community Risk Register will then become the responsibility of Justice and Home Affairs and the work of the Jersey Resilience Forum.



Work was undertaken in 2021 to embed new ERM system changes across Government of Jersey Departments through workshops and training and regular reviews.

The system of reviews includes quarterly risk management reports to the Risk and Audit Committee, Executive Leadership Team and Council of Ministers and the Departmental Risk Group. It is led by risk leads across Government who now meet regularly to discuss quarterly risk reports, approaches under ERM and discuss relevant topics within their Terms of Reference. The Government's Head of Risk meets monthly with department leads to discuss their risk registers.

Other enhancements in the year included the formation of Risk Committees in some of the larger Departments. These committees were given responsibility for reviewing their risk registers and escalating risks to Senior Leadership Teams. The Head of Risk and Chief Internal Auditor now hold quarterly meetings with Accountable Officers to review their significant risks.

A further development was the introduction of a "Deep Dive" template which examines how risk is managed at departmental and corporate levels. A number of deep dives were carried out in 2021 and this work will be expanded in 2022 to require all Ministerial Departments to carry out deep dives into significant risks.

Other changes in 2021 included the following:

- The introduction of regular, collaborative working with Business Continuity colleagues;
- Head of Risk meeting quarterly with States-owned Entities and attending shareholder meetings;
- Providing advice to major projects and programmes on risk and insurance management, as required;
- Providing advice to the Jersey Care Commission and other arm's length bodies on risk management.

During 2021, the Risk and Audit Committee undertook regular reviews of the Corporate and Departmental Risk Registers. These reviews are now standing items on the Risk and Audit Committee's briefing sessions.

## Risks Reported in Year

The top five key risk themes in 2021 were as follows:

### 1. Health and Wellbeing

The Covid pandemic inflicted considerable pressures on our provision of health and social care as well as requiring significant financial support for local businesses. The vaccination and other programmes has meant good progress was made in 2021 to counter the impact on health, though there remains significant risk that further costs will arise because the impact of the pandemic remains uncertain. To help manage this uncertainty, funds of £52m are held in reserve.

Assuming good progress is made to emerge from Covid health challenges, there remains a high risk of legacy health problems - many unreported, which will need to be addressed post pandemic.

Due to its age, the current hospital site continues to provide challenges if we are to maintain service delivery. Proposed mitigations include updating and renovating the wards until the delivery of the Our Hospital Project later in the decade. Even with proposed mitigating actions, further delays to the delivery of a new hospital means increased risk of service failure and poor clinical outcomes for patients.

Staff recruitment and retention is a particular problem for health and community services.

The Government continues to monitor health impacts across all areas of society. The Government Plan 2022-2025 includes considerable funding for health related measures.

### 2. Cyber Security and Information Technology

Like all governments, we face the constant threat of a cyber-attack, and as a consequence, we are undertaking targeted action to enhance our technology estate, data management and information security against a backdrop of increased global cyber security risk from hostile state and criminal activity. Other measures to mitigate potential loss include the establishment of the Cyber Security Centre, regular threat monitoring and horizon scanning.

The Government Plan 2022-2025 has significant resources dedicated to this area. Jersey also works closely with the UK's National Cyber Security Centre.

### 3. Estate Management

The Government maintains structures and assets across a wide variety of departments. This property requires continued renovation, or new construction, to ensure that Government assets are fit for purpose for the benefit of islanders.

A number of risks arise from a lack of financial, system and human resources. To address these risks, a new Estates Strategy was introduced which adopts a multi-layered

approach from political oversight and strategic response to tactical and operational levels

Steps taken include better asset management, greater preventative maintenance and the recruitment of additional staff. Wide consultation took place on the proposals and the Government Plan 2022-2025 includes specific funding to address relevant risks.

#### 4. External Risks

External risks include economic and reputational risks deriving from the implementation of new fisheries management arrangements as part of the Trade and Cooperation Agreement, developments in international tax at EU and global level and Jersey's ability to secure appropriate access to, and participation in, the UK's new trade agreement (FTA) programme. Mitigations adopted by Government in the period included:

- the recruitment of specialist staff to posts in environmental health, veterinary and plant health and marine resources;
- relationship building and regular liaison with other jurisdictions, including stakeholders, the UK government, France, Brussels, and key multilateral fora including the OECD;
- extensive programme of bilateral engagement with priority global markets to build broad, enduring friendships and to increase economic cooperation;
- development of the Future Economy programme and Policy Framework for the Financial Services Industry to grow and diversify Jersey's economy;
- effective political oversight and horizon scanning for future external trends, risks and opportunities.

This area remains a significant risk in 2022 and the international position is under constant review by Government and arm's length organisations such as Jersey Finance.

#### 5. Resourcing and Change Capacity

Like many organisations, the Government has experienced recruitment difficulties which endanger our capacity to improve services and, in some situations, maintain good levels of business-as-usual. Ongoing mitigation includes continually assessing our ability to deliver services, in terms of resource and priority through the Government Plan, and change planning and increasing political and senior officer oversight of major project risks.

Other challenges include staff wellbeing and burnout, especially when set against a backdrop of the continuing need to respond to a global pandemic.

Mitigating controls introduced include:

- development of the Central Portfolio Management Office;
- impact analysis;
- resilience and leading and managing effective change training;
- change management toolkits;
- health and wellbeing surveillance including mental first aid.

As set out in the Government Plan 2022-2025, money has been set aside to fund relevant counter-measures.

## Update on Governance Issues

Based on their awareness of the major issues facing the organisation, the Chief Executive Officer and the Treasurer of the States have determined the issues detailed below as being the most significant governance issues to be included in this Governance Statement. These issues have been drawn from departmental governance assurance statements, management reviews and the work of the Comptroller & Auditor General, internal and external audit.

Issue Identified in 2021 or a Prior Year	Actions Undertaken in 2021
<p><b>People Policies and Resourcing (previously, States Employment Board)</b></p> <p>Policies and procedures need to be brought up to date and made consistent to avoid potential confusion and misinterpretation.</p> <p>Additionally, a fundamental review of the framework for the oversight of human resources of the States was identified as being required, including, in respect of both SEB and the Jersey Appointments Commission:</p> <ul style="list-style-type: none"> <li>• scope;</li> <li>• functions;</li> <li>• membership; and</li> <li>• operation.</li> </ul>	<p>Work began in early 2021 to refresh and simplify our people management policies. Recommendations from the Comptroller &amp; Auditor General report regarding the Role and Operation of States Employment Board were accepted and a People Policy framework was adopted.</p> <p>People and Corporate Services have prepared a work schedule to refresh all policies, setting out the prioritisation for the Codes of Practice and policy delivery.</p> <p>A number of important changes were made in 2021 including the completion of the Codes of Practice and the 'big 5' policies of bullying and harassment, grievance, disciplinary, code of conduct (standards in public service) and whistleblowing.</p> <p>A new human resource policy framework is still under development which is expected to be launched in 2022.</p> <p>Work being done on the role and function of the States' Employment Board and the Jersey Appointments Commission is being carried out in two phases:</p> <ul style="list-style-type: none"> <li>• Phase 1 establishes the Jersey Appointments Commission as an independent body, as well as setting out its duties, functions and powers.</li> <li>• Phase 2 will address the role and function of the States' Employment Board.</li> </ul> <p>Consultation with stakeholders on the law drafting for Phase 1 (amendments to the Employment of States of Jersey Employees Law) started in the latter part of 2021 and will continue into the first quarter of 2022.</p> <p>Phase 2 is scheduled to take place after the elections for the new Assembly.</p>

Issue Identified in 2021 or a Prior Year	Actions Undertaken in 2021
<p><b>People Strategy</b></p> <p>The need to update employment law and to develop an overarching People Strategy has been identified as key improvement required to overall governance arrangements.</p>	<p>The People Strategy was published in November 2021.</p> <p>The People Strategy is anchored by the following four core commitments: for it to be accessible to all, enduring, have long term ambitions and include a detailed delivery plan for prioritised efforts in 2022 with associated performance measures. Relevant metrics are also captured in the business plan of the Chief Operating Office.</p> <p>This issue is no longer considered an area of significant concern.</p>
<p><b>Organisational Change</b></p> <p>The One Gov agenda identified the need to fundamentally review the organisational structure and culture in order to facilitate the ambition change programme.</p>	<p>Changes to the organisational structure have largely been completed and will in future be influenced by individual service reviews.</p> <p>Team Jersey continued to be the engine for cultural change, though due to the Pandemic, Team Jersey sessions were delivered online for the first quarter of 2021 before returning to face-to-face from April 2021 but with reduced capacity to allow social distancing. Despite these constraints the programme has delivered 295 workshops to leaders and colleagues and engaged over 3,000 of the workforce to date. New content has been designed and delivered to support building positive relationships, enhance psychological safety in teams and encourage a balance of supportive and challenging behaviours in teams.</p> <p>The programme has focused on supporting departments to build and implement People and Culture plans that prioritise identified areas of need and focus on rebuilding teams and improving employee engagement and wellbeing post-Pandemic.</p> <p>This issue is no longer considered an area of significant concern.</p>
<p><b>Information Security and Information Governance</b></p> <p>Improvements were required across Information Governance including to records management, information management and the development of a data strategy. Information Security requires continual development to respond to the changing landscape.</p>	<p>In 2021, an information security staff training programme was delivered to all staff. Together with the recruitment of additional staff and work performed across information security, it is expected these steps are sufficient to address this weakness, and as a consequence, this issue is no longer considered an area of significant concern.</p> <p>Information Governance will continue to be developed in 2022 with a privacy framework and data strategy being delivered. At present controls are in place across information governance which has meant there are no material issues which impact the annual accounts.</p>

Issue Identified in 2021 or a Prior Year	Actions Undertaken in 2021
<p><b>Cyber Security and IT Systems</b></p> <p>Like all governments, cyber security systems need to be continually updated to both detect and deter access which is not appropriate and to ensure compliance with GDPR legislation.</p> <p>Improvements remain to be made in the quality and effectiveness of our Information Technology and digital infrastructure.</p>	<p>We have continued to monitor and update our cyber security including the delivery of training to all staff, engaging a managed security service, building information and physical asset registers, implementing Information Security Risk management process, developing and launching a new Information Security Policy framework and improvements to Identity Management.</p> <p>Steady progress has been made in the year to replace and upgrade the Government's digital systems and infrastructure, and steps are being taken to replace some legacy IT systems.</p> <p>The consolidation of Health, Education and Police technology teams and responsibilities within Modernisation &amp; Digital Directorate this year has enabled a more consistent and thorough approach to Cyber risk assessment and management. It has also allowed a rigorous analysis of the size and complexity of the entire Government technology estate.</p>
<p><b>Anti-Money Laundering and Counter Fraud and Corruption</b></p> <p>The need to review and strengthen our approach to anti-money laundering and our counter-fraud and corruption strategy was identified in 2020.</p>	<p>In 2021, the Anti-Money Laundering (AML) Policy was updated, published and communicated across Government. A named Money Laundering Reporting Officer and Deputy were appointed.</p> <p>Other changes included a reduction in the maximum cash payment accepted by Government from £5,000 to £1,000 and a move to cashless transactions in a number of services. The money laundering risk in cash transactions is therefore significantly reduced.</p> <p>Work will continue in 2022 to review and embed the AML and Counter-Fraud Strategy.</p>
<p><b>Estate Management</b></p> <p>The effectiveness of planned maintenance procedures and compliance with Health and Safety requirements needs improvement.</p>	<p>The Estates Management Strategy developed last year is being embedded in our work practices.</p> <p>The 2022 programme of work consists of improving management information so that a more detailed picture of estate assets are held. This will allow better compliance with health and safety and planned maintenance requirements</p>

Issue Identified in 2021 or a Prior Year	Actions Undertaken in 2021
<p><b>Programme and Project Management</b></p> <p>Project management and governance arrangements for a range of projects have been identified as requiring improvement.</p>	<p>Two frameworks enhancing the consistency and delivery of programmes and projects - the Project Delivery Framework and the Programme Delivery Framework, were launched by the Corporate Portfolio Management Office in 2021. Roll-out of training on these frameworks was commenced for Programme and Project Managers and to Sponsors/SROs. The frameworks provide stage gate controls, templates and tools to support effective project review and regular assessment of progress against the approved business case.</p> <p>In 2021, the CPMO also introduced standard format monthly project reporting. These reports are reviewed monthly with Director Generals in Departmental Portfolio Reviews with a focus on escalations, issues and risks. Portfolio level reporting is also presented each month to the Executive Leadership Team for review and the resolution of any escalations made. From 2022, this reporting will follow a formal quality review process and will include Governance and Control Health Checks, a process which was trialed on three Major projects in 2021. Health checks are deep dive assessments of project delivery against the approved frameworks. Governance control will also be assessed as projects progress through the stage gates and CPMO will undertake reviews of documentation prior to approving progression to the next stage of delivery.</p> <p>Internal audit coverage is planned in 2022 to assess the adoption and compliance by departments with the project management frameworks.</p>
<p><b>The States as Shareholder</b></p> <p>There is a need to strengthen the effectiveness of the oversight of States Owned Entities through the development of the Memoranda of Understanding for all States Owned Entities.</p>	<p>During 2021, work was undertaken to review, update and consult with stakeholders the Memoranda of Understanding (MoUs) for States' Owned Entities (SOEs). This has led to a significantly improved version of the MoUs being ready to be implemented early in 2022.</p> <p>The new MoUs improve standards for corporate governance best practice, reporting, meeting requirements and areas where the SOEs need to either inform, consult and/or seek the approval of the shareholder.</p> <p>In practice during 2021, the SOEs have operated against the provisions and requirements of the new MoUs. This has meant the quarterly shareholder meetings have been more productive, notes of meetings retained and there has been a steady flow of information from the SOEs during the year. Matters such as board succession planning and director remuneration are discussed in a candid and proactive manner.</p> <p>This issue is no longer considered an area of significant concern.</p>

Issue Identified in 2021 or a Prior Year	Actions Undertaken in 2021
<p><b>Governance Arrangements – Health and Social Care</b></p> <p>The governance arrangements in the Health and Community Services Department were judged as needing improvement in a report issued by the Comptroller and Auditor General (C&amp;AG) in 2018. 22 recommendations were made.</p>	<p>A follow-up C&amp;AG review published in September 2021 reported partial progress being made to implement the recommendations of an earlier report. Work in 2022 will include developing and implementing robust oversight arrangements.</p>
<p><b>Decision Making - Major Projects</b></p> <p>Decision making for a number of major projects, including the Future Hospital project, has been identified as in need of improvement.</p>	<p>The Project Delivery Framework and the Programme Delivery Framework were launched by the Corporate Portfolio Management Office in 2021. These frameworks provide a structure for robust decision making which is informed and controlled through stage gates.</p>
<p><b>Commercial Approach</b></p> <p>The development of the One Gov approach identified the need for a more commercial approach to assist with improvements to value for money.</p>	<p>In 2021, work was launched with a discovery exercise (including central data collection) to classify the arm's length organisations (ALOs), quantify the funding they receive and identify the GoJ owners of these relationships.</p> <p>Work has begun on understanding the scope of a corporate-wide framework, the development approach and the process and controls that should be applied in the administration of grants and funding. A cross-government ALO Working Group has been founded and will continue to share experiences and build capability through 2022.</p>
<p><b>Management Information</b></p> <p>Inadequacies in performance information has been identified as an area for improvement.</p>	<p>A new Performance Management Framework has been established which includes the creation of a new team within Strategic Policy, Planning and Performance who collate service performance measures from our government departments.</p> <p>Service performance measures were included for the first time in the 2020 Departmental Operational Business Plans, and were reported on in the 2020 accounts. During 2021, the service performance measures were published online and updated quarterly.</p> <p>The 'Future Jersey' process lead to the development of originally 58 'Island Indicators' to track Jersey's progress. In January 2020, this original suite of indicators was extended to nearly 190 with the launch of the Jersey Performance Framework. These indicators focus on how the Island has performed in recent years, how Jersey is doing, and whether it is heading in the right direction.</p> <p>This issue is no longer considered an area of significant concern.</p>



## Closing statement

The organisation has responded positively to the significant challenges faced and delivered a range of positive outcomes during 2021. The impact of the pandemic will be felt for generations and, as a result, the Government has taken the opportunity to re-evaluate its priorities and the associated risks over the short and medium term. Whilst it is accepted that a longer-term piece of work needs to be formulated to sit alongside the Island Plan, the organisation has continued to push forward the transformation of the organisation and taken the opportunity to address a number of the governance, operational and risk issues raised in this report, which will enable the Government to start to perform in a more efficient and effective way to deliver for Islanders.


The Government is confident that the governance arrangements in place during 2021 have been effective, with the exception of the governance issues identified above and in individual departmental 2021 Governance Statements.

The organisation is committed to maintaining and, where possible, improving its governance arrangements, in particular by:

- Addressing the issues identified, and in particular those reported by the C&AG, as requiring improvement;
- Working with Scrutiny to learn the lessons from and develop stronger policy around key initiatives and services;
- Enhancing performance reporting and focusing on key risks;
- Using the Government Plan and the Target Operating Model as a basis for planning to improve services and outcomes for Islanders and taxpayers.

The improvements and actions identified will take place over a long period. It is recognised the Government is on an improvement journey but its commitment to delivering better outcomes for Islanders and taxpayers will remain constant throughout.

It is our view that the Annual Report and Accounts, as a whole is fair, balanced and understandable and represents a true and fair view of the financial performance of the organisation



Suzanne Wylie  
Chief Executive  
Date: 31 March 2022



Richard Bell  
Treasurer of the States of Jersey  
Date: 31 March 2022

# Remuneration and Staff Report

## Remuneration and Staff Report

### Remuneration and Staff Report

Remuneration policy for all employees of the States of Jersey is determined by the States Employment Board (SEB). On behalf of SEB, the People and Corporate Services directorate provides an employer-side secretariat for the purpose of negotiation and consultation with the recognised trades unions and associations.

The States Employment Board (SEB) is responsible for the remuneration for all employees of the States of Jersey. Pay scales are published and cover the following groups of employees:

- Civil Servants
- Nurses and Midwives
- Manual Workers
- Workforce Modernisation Group
- Teachers
- Headteachers and deputies
- Prison Officers
- Fire and Rescue
- Non-Ministerial Departments
- Individual contract holders (normally senior civil servants)

In addition, The SEB are responsible for the remuneration of those who are office holders:

- Bailiff
- Deputy Bailiff
- Attorney General
- Solicitor General
- Viscount
- Deputy Viscount
- Judicial Greffier
- Deputy Judicial Greffier
- Greffier of the States
- Deputy Greffier of the States
- Master of the Royal Court
- Magistrate
- Information Commissioner

SEB has policies on pay and reward to ensure fairness and consistency, includes:

- Establish pay scales
- Job Evaluation
- Benchmarking
- Organisation design

### **Reward principles**

Equal pay for equal work.

Pay should be fair and equitable, recognising the requirements of differing roles and the value they bring to the organisation. We have and will continue to use objective job evaluation methods to validate decisions on job level.

### **Market sensitivity**

We recognise that we compete in the market for our people and that some skills have a market value that differ from others. We will ensure that we remain competitive and pay the right rate for the job.

### **Total reward approach**

We take into account all elements that make up the employment deal when considering our approach to pay and reward.

### **Flexibility**

We need to ensure that our pay structures provide us with flexibility for employees and for our future needs.

### **Performance and recognition**

We will recognise both contribution and behaviours to build a performance culture linked to outcome-driven delivery.

### **Affordability and sustainability**

We have a responsibility to our employees and to Islanders to maintain pay policies that are affordable and sustainable.

### **Socially responsible**

The States Employment Board will be an accredited Jersey Living Wage Employer.

## Pay awards and progression

How pay is uplifted and increased differs between pay groups. Each pay group is represented by trade unions who negotiate any annual increase. Most pay groups have pay scales that allow progression through a grade. It varies between groups on how progression occurs between automatic progression based on time served, through to requirements for training, qualifications and performance.

## Council of Ministers Remuneration

As elected members of the Government of Jersey, Members of the Council of Ministers are entitled to remuneration. For 2021 States Members were each entitled to remuneration of £48,000.

As members of the States Assembly, the Council of Ministers are remunerated in line with that of other Members at rates set by the States Assembly.

Although States Members are treated as being self-employed for Social Security purposes the States also cover an equivalent amount to an employer's Social Security liability (up to 6.5% of the Social Security standard earnings limit) on behalf of the Members. This may not apply to all States Members, for example, Members who are claiming a Social Security pension or those who chose to exercise the married woman's election may not have a Social Security liability.

£000 Unless Otherwise Stated	1 January 2021 – 31 December 2021				1 January 2020 – 31 December 2020			
	Salary and Allowances	Other Remuneration	Pension Related Benefits*	Total	Salary and Allowances	Other Remuneration	Pension-related benefits*	Total
Senator John Le Fondré	45 - 50	0 - 5	0 - 5	50 - 55	45 - 50	0 - 5	0 - 5	50 - 55
<b>Chief Minister</b>								
Senator Lyndon Farnham	45 - 50	0 - 5	0 - 5	50 - 55	45 - 50	0 - 5	0 - 5	50 - 55
<b>Minister for Economic Development, Tourism, Sport and Culture</b>								
Senator Ian Gorst	45 - 50	0 - 5	-	45 - 50	40 - 45	0 - 5		45 - 50
<b>Minister for External Relations and Financial Services (Start date 03/02/21) Known as Minister for External Relations (Until March 02/03/21)</b>								
Senator Ian Gorst	45 - 50	0 - 5	-	45 - 50	45 - 50	0 - 5	-	45 - 50
<b>Minister for External Relations and Financial Services (Start date 03/02/21) Known as Minister for External Relations (Until March 02/03/21)</b>								
Deputy Susie Pinel	45 - 50	0 - 5	-	45 - 50	45 - 50	0 - 5	-	45 - 50
<b>Minister for Treasury and Resources</b>								
Deputy Jeremy Maçon	0 - 5	0 - 5	0 - 5	0 - 5	40 - 45	0 - 5	-	40 - 45
<b>Minister for Children and Housing (End Date 09/02/2021)</b>								
Deputy Russell Labey	40 - 45	0 - 5	0 - 5	45 - 50	0 - 5	0 - 5	0 - 5	5 - 10
<b>Minister for Housing and Communities (Start Date 09/02/2021) Known as Minister for Housing and Communities (Minister for Children and Housing (Until 02/03/21)</b>								
Deputy Richard Renouf	45 - 50	0 - 5	0 - 5	50 - 55	45 - 50	0 - 5	0 - 5	50 - 55
<b>Minister for Health and Social Services</b>								
Deputy Judy Martin	45 - 50	0 - 5		45 - 50	45 - 50	0 - 5	-	45 - 50
<b>Minister for Social Security</b>								
Deputy John Young	45 - 50	0 - 5		45 - 50	45 - 50	0 - 5	-	45 - 50
<b>Minister for the Environment</b>								

£000 Unless Otherwise Stated	1 January 2021 – 31 December 2021				1 January 2020 – 31 December 2020			
	Salary and Allowances	Other Remuneration	Pension Related Benefits*	Total	Salary and Allowances	Other Remuneration	Pension-related benefits*	Total
Deputy Kevin Lewis <b>Minister for Infrastructure</b>	45 – 50	0 – 5	0 – 5	50 - 55	45 - 50	0 - 5	0 - 5	50 - 55
Connétable Len Norman <b>Minister for Home Affairs (Died on 01/06/2021)</b>	20 – 25	0 – 5	0 – 5	20 - 25	45 - 50	0 - 5	0 - 5	50 - 55
Deputy Gregory Guida <b>Minister for Home Affairs (Start Date 29/06/2021)</b>	20 – 25	0 – 5		20 - 25	-	-	-	-
Senator Tracey Vallois <b>Minister for Education (Resigned on 19/01/2021)</b>	0 – 5	0 – 5		0 - 5	45 - 50	0 - 5	-	45 - 50
Deputy Jeremy Maçon <b>Minister for Children and Education (Start Date 09/02/2021, Resigned 08/06/2021) Known as Minister for Children (Until 02/03/21)</b>	15 – 20	0 – 5	0 - 5	15 - 20	-	-	-	-
Deputy Scott Wickenden <b>Minister for Children and Education (Start Date 29/06/2021)</b>	20 – 25	0 – 5		20 - 25	-	-	-	-
Deputy Carolyn Labey <b>Minister for International Development</b>	45 – 50	0 – 5	0 - 5	50 - 55	45 - 50	0 - 5	0 - 5	50 - 55

## Senior officer remuneration

### Executive Leadership Team

The States of Jersey Executive Leadership Team are those responsible for the leadership across the Government and Non-Ministerial Departments. Table 4 below provides the actual payments to the Executive Leadership Team (including informal attendees with standing invitation) who were employed in 2021.

Role	1 January 2021 - 31 December 2021					1 January 2020 - 31 December 2020				
	* Salary and Allowances	Other Remuneration and benefits	** Pension Related Benefits	*** Loss of office and compensatory payments	Total	Salary and Allowances	Other remuneration and benefits	* Pension related benefits	Loss of office and compensatory payments	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Chief Executive Officer and Head of Public Service</b>										
Charlie Parker (End date 31/03/21)	65-70	-	5-10	500-505	570-585	245-250	-	40-45	-	285-295
Paul Martin (start date 01/03/21)	205-210	5-10	-	-	210-220					
<b>Chief Operating Officer</b>										
John Quinn	175-180	5-10	25-30	-	205-220	165-170	5-10	25-30	-	195-210
<b>Director General for Strategic Policy, Planning and Performance</b>										
Tom Walker	150-155	-	20-25	-	170-180	140-145	-	20-25	-	160-170
<b>Director General for Treasury and Exchequer (Treasurer of the States)</b>										
Richard Bell	175-180	-	25-30	-	200-210	165-170	-	25-30	-	190-200
<b>Director General for Health and Community Services</b>										
Caroline Landon	185 – 190	-	25-30	-	210-220	170-175	-	25-30	-	195-205
<b>Director General for Justice and Home Affairs</b>										
Julian Blazeby (end date 31/10/2021 )	140 – 145	-	20-25	-	160-170	140-145	-	20-25	-	160-170
Kate Briden ****(Acting DG from 15/10/21)	30 – 35	-	-	-	30 - 35					
<b>Director General for Customer and Local Services</b>										
Ian Burns	150-155	-	20-25	-	170-180	140-145	-	20-25	-	160-170



Role	1 January 2021 - 31 December 2021					1 January 2020 - 31 December 2020				
	* Salary and Allowances	Other Remuneration and benefits	** Pension Related Benefits	*** Loss of office and compensatory payments	Total	Salary and Allowances	Other remuneration and benefits	*Pension related benefits	Loss of office and compensatory payments	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Director General for Infrastructure, Housing and Environment</b>										
Andy Scate (Acting DG from April 2020, permanent from 10/06/21)	160-165	-	25-30	-	180-190	105-110	-	15-20	-	120-130
<b>Director General for Children, Young People, Education and Skills</b>										
Mark Rogers (End date 31/12/2021)	185-190	-	-	-	185-190	170-175	-	-	-	170-175
<b>Director General for the Economy</b>										
Richard Corrigan	160-165	40-45	30-35	-	230-245	140-145	55-60	30-35	-	225-240
<b>Group Director for External Affairs</b>										
Kate Nutt	135-140	5-10	20-25	-	160-175	125-130	5-10	10-15	-	105-120
<b>Director of Communications</b>										
Dirk Danino-Forsyth	120-125	-	15-20	-	135-145	90-95	5-10	10-15	-	105-120
<b>Chief of Staff</b>										
Catherine Madden	145-150	-	20-25	-	165-175	140-145	-	20-25	-	160-170
<b>Greffier of the States</b>										
Mark Egan	145-150	-	20-25	-	165-175	140-145	-	20-25	-	160-170
<b>Practice Director (Law Officers' Department)</b>										
Alec Le Sueur	110-115	-	15-20	-	125-135	95-100	-	10-15	-	105-115

\*The figure includes annual increases for 2020 and 2021 which were back paid in 2021

\*\*The figure represents the employer pension contributions

\*\*\*Loss of office previously reported under the category of other remuneration

Other Remuneration includes back pay, sickness benefit and other pensionable and non-pensionable pay adjustments and compensatory amounts

\*\*\*\*Basic pay figure from October to December 2021

## Fair pay disclosure

The following table provides details of pay ratios and multiples. The median remuneration is a form of average, representing the individual where 50% of employees earned more and 50% earned less. This is the mid-point of remuneration. The calculations are based on a full-time equivalent annual salary (including benefits, but not including pension contributions by the employer). This represents all employees on a permanent, temporary or fixed-term contract, but not including those on zero-hour contracts.

	2021	2020
Pay ratio between the highest paid employee and the lowest paid employee	18:1	19:1
Pay ratio between the highest paid employee and the median pay of all employees	6:1	6:1
Upper quartile Remuneration	£54,769	£55,626
Median remuneration	£42,972	£42,805
Lower quartile remuneration	£13,850	£13,084
Gender Pay Gap	10.80%	15.90%

\*Gender Pay June 2020/2021 figures

## Pension benefits

The Government administers three public service pension schemes, the Public Employees Contributory Retirement Scheme (PECRS or the Final Salary Scheme) and the Public Employees' Pension Scheme Pension (PEPS or the Career Average Scheme), these two schemes come under the umbrella of the Public Employees Pensions Fund (PEPF) and the Jersey Teachers' Superannuation Fund (JTSF). Employees of the Government and 30 admitted employers are members of the schemes.

The PECRS and the PEPS are the pension schemes for all public servants, with the exception of teachers, and has around 17,600 scheme members, of whom over 7,300 are employed and accumulating benefits.

Around 7,000 employees were accumulating pensions in the Career Average Scheme at the end of 2021. The Career Average Scheme of the PEPF provides benefits based on the pensionable earnings paid to the member each year and for non-uniformed members has a normal expected retirement age linked to the Social Security Pension Age, which is increasing to age 67. Non-uniformed employees contribute 7.75% of their earnings to the scheme. Uniformed employees have an earlier normal retirement age of 60 and contribute 10.1% of earnings.

There are only around 360 employees who continue to accumulate pensions in the Final Salary Scheme of the PEPF. These employees will reach their normal retirement age within four years. No new entrants can be admitted into final salary scheme.

The JTSF has around 2,900 scheme members, of whom around 1,200 are employed and accumulating benefits. JTSF is a final salary pension scheme with benefits based on length of service and final salary on leaving or retiring from the scheme. The scheme has an expected retirement age of 65 for new entrants. Teachers contribute up to 6% of their salaries into the scheme. The Government also makes an employer contribution of 10.8% of teacher pensionable salaries towards the costs of future pension accrual and a further employer contribution of 5.6% of pensionable salaries to meet the JTSF Pension Increase Debt.

The public service pension schemes in Jersey are not balance-of-cost schemes and the employer contribution is capped. Pension increases are subject to the financial position of the pension funds remaining satisfactory and are not guaranteed.

### Pension Benefits Disclosure Table

Directors (ELT Member)	Annual Pension at retirement at 31/12/21	Annual Pension at retirement at 31/12/20	CETV at 31/12/21	CETV at 31/12/20	*Difference between 2020 and 2021 total CETVs
	£000	£000	£000	£000	£000
Mr R W Bell	45-50	45-50	974	902	72
Mr J Blazeby	5-10	5-10	112	78	34
Mr I Burns	20-25	15-20	359	316	43
Mr R Corrigan	10-15	5-10	176	135	41
Mr D Danino-Forsyth	0-5	0-5	29	12	17
Dr M Egan	10-15	5-10	172	139	33
Mrs K Halls-Nutt	10-15	5-10	125	99	26
Mrs C Landon	5-10	0-5	97	59	38
Mr A Le Sueur	30-35	25-30	721	579	142
Ms C Madden	85-90	80-85	1,587	1,526	61
Mr C Parker	10-15	5-10	N/A	176	N/A
Mr J Quinn	5-10	5-10	134	89	45
Mr M Rogers	N/A	N/A	N/A	N/A	N/A
Mr A Scate	60-65	50-55	1,038	873	165
Mr T Walker	35-40	30-35	648	559	89

\* This figure comprises the movement in the Cash Equivalent Transfer Value (CETV) from the previous year. This represents the accrued pension fund available for the individual from which their pension benefit will be paid rather than the amount that will be paid as a pension benefit.

### Lump sum

Members of PEPF can choose to exchange up to 30% of their pension for a lump sum upon retirement. For every £1 of annual pension given up, members will receive a cash sum of £13.50. As each individual may choose to exchange a different proportion, individual lump sums are not shown.

## Cash Equivalent Transfer Value

The Cash Equivalent Transfer Value (CETV) represents the value of rights accrued in the scheme and is calculated based on a transfer to a private pension scheme. Transfer values payable from PEPF are subject to a market adjustment factor, which is derived from the future investment return of the Pension Fund. The general increases in transfer values shown above are due to an additional year of accrual of benefits in the PEPF. Comparative figures have been restated to use the same market adjustment factors applied at the end of 2021 in order to allow proper comparison between the two figures

## Compensation on early retirement or loss of Office (Directors only)

Reason	2021		2020	
	Number	Amount	Number	Amount
Compensation for loss of office (compromise agreement)	0	0	2	*£692,500

\* The 2020 figure includes a £500,000 payment for an agreement that was paid in 2021 but accrued in 2020.

## Exit Packages (All States of Jersey Employees)

There was a total of 21 individuals who received £727,634 in severance and ex-gratia payments between them in 2021, in 2020 34 individuals received £1,282,709, in severance and ex-gratia payments between them, this is compared to 40 individuals receiving a total of £2,048,139 in 2019. This includes employees in the compensation figures. These payments were for compulsory and voluntary redundancy, loss of office, outsourcing roles, voluntary early retirements. The other reasons include conciliation payments, notice and contractual annual leave payments.

This includes all other exit packages that have not been disclosed elsewhere in this report.

Reason	2021		2020	
	Number	Amount	Number	Amount
Compulsory or Voluntary Redundancy	3	£352,100	9	£374,071
Loss of Office	5	£304,856	18	£808,173
Outsourcing of Role	-	-	6	£57,876
Other Reasons	14	£194,915		
Voluntary Early Retirement	-	-	1	£42,589
<b>Total</b>	<b>22</b>	<b>£851,871</b>	<b>34</b>	<b>£1,282,709</b>

## Voluntary Release Scheme

The Voluntary Release Scheme re-opened for applications on Monday 20th September 2021 and remained open until Friday 26th November 2021. 129 applications were received from employees, and after initial assessment by line-managers, 22 business cases were submitted for formal consideration.

The business cases were reviewed by Treasury and Exchequer, and currently 17 business cases have been approved, and settlement agreements are being prepared.

The estimated cost of this initiative is circa £1m and recurrent annual savings in the region of slightly under £1m.

## Employee report

The table below shows the number of directors and senior civil service staff, defined as civil service grade 15 and above, as a proportion of total year-end headcount.

The figures presented are for December headcount for departments and trading operations.

	2021				2020			
	Government of Jersey Core		Subsidiaries		Government of Jersey Core		Subsidiaries	
	Headcount	FTE	Headcount	FTE	Headcount	FTE	Headcount	FTE
Directors (ELT)	15	15	13	11	15	15	13	13
Senior staff	109	109	16	13	105	104	11	11
Other staff	7,446	6,750	295	288	7,096	6,427	391	347
<b>Total Staff</b>	<b>7570</b>	<b>6874</b>	<b>324</b>	<b>312</b>	<b>7,216</b>	<b>6,546</b>	<b>415</b>	<b>371</b>

## Headcount by area as at end of year

The number of employees as at 31st December in each of the years by employee and full-time equivalent roles.

Department	Headcount			
	2021		2020	
	Number of Employees	Full-time Equivalent	Number of Employees	Full-time Equivalent
Chief Operating Office	267	261	203	196
Children, Young People, Edu & Skills	2340	1,946	2,268	1,871
Customer and Local Services	323	303	287	268
Department for the Economy	33	32	N/A	N/A
Health and Community Services	2,475	2,294	2,371	2,194
Infrastructure, Housing and Environment	592	573	631	609
Justice and Home Affairs	756	731	744	721
Non-executives and legislature	217	201	213	196
Office of the Chief Executive	81	78	102	99
States Assembly	49	47	44	42
Strategic Policy, Performance & Pop.	113	97	96	92
Treasury and Exchequer	324	311	270	259
Subsidiaries	324	312	415	372
<b>Total</b>	<b>7,894</b>	<b>7,185</b>	<b>7,644</b>	<b>6,919</b>

## Employee numbers

The average number of full-time equivalent persons employed are set out in the following table.

	2021				2020			
	Government of Jersey Core		Subsidiaries		Government of Jersey Core		Subsidiaries	
	Headcount	FTE	Headcount	FTE	Headcount	FTE	Headcount	FTE
Fixed Term Employees	774	629	15	15	580	447	45	11
Permanent Employees	6,758	6,170	350	344	6,566	5,958	260	152
<b>Total Employees</b>	<b>7,502</b>	<b>6,799</b>	<b>365</b>	<b>359</b>	<b>7,146</b>	<b>6,405</b>	<b>305</b>	<b>163</b>

## The average Headcount and FTE by area

Department	Average Headcount and FTE			
	2021		2020	
	Number of Employees	Full-time Equivalent	Number of Employees	Full-time Equivalent
Chief Operating Office	258	252.3	181	174.0
Children, Young People, Education and Skills	2,355	1,902.8	2,291	1,850.0
Customer and Local Services	314	294.6	279	259.4
Department for the Economy	33	31.7	N/A	N/A
Health and Community Services	2,471	2,288.1	2,393	2,196.1
Infrastructure, Housing and Environment	583	562.8	585	563.6
Justice and Home Affairs	797	771.8	741	714.8
Non-executives and legislature	216	198.8	215	197.8
Office of the Chief Executive	108	104.9	91	87.2
States Assembly (States Greffe)	48	45.4	37	35.8
Strategic Policy, Performance and Planning	96	89.6	91	85.4
Treasury & Exchequer	297	285.7	254	244.1
<b>Total</b>	<b>7,576</b>	<b>6,829</b>	<b>7,158</b>	<b>6,408.2</b>
Subsidiaries	365	357	305	163
<b>Total</b>	<b>7,941</b>	<b>7,186</b>	<b>7,463</b>	<b>6,571.2</b>

The average headcount is calculated by the number of employees on the last working day of each month throughout 2021.

## Segmental analysis of employees

The tables below give details of the numbers of employees whose total remuneration exceeds £100,000, split by department and then by pay group. Remuneration includes salaries and wages, benefits and pension contributions paid by the States.

## Segmental analysis of total remuneration of £100,000 and above by department

Number of Employees with total remuneration over £100,000 per year (excluding social security contributions)

Department	£100,000 - £149,999		£150,000 and over	
	2021	2020	2021	2020
Chief Operating Office	13	4	4	4
Children, Young People, Education and Skills	44	35	3	3
Customer and Local Services	3	3	1	1
Infrastructure, Housing and Environment	18	17	2	2
Health and Community Services	65	74	80	76
Justice and Home Affairs	20	22	2	4
Non-Ministerial	32	35	14	13
Office of the Chief Executive	16	12	5	4
Strategic Policy, Planning and Performance	11	14	4	4
Treasury and Exchequer	18	17	4	5
<b>Total</b>	<b>240</b>	<b>233</b>	<b>119</b>	<b>116</b>

Subsidiaries remuneration	2021	2020
100,000 - 119,999	24	28
120,000 - 139,999	24	25
140,000 - 159,999	3	3
160,000 - 179,999	0	3
180,000 - 199,999	3	4
200,000 - 219,999	2	3
220,000 - 239,999	1	3
240,000 - 259,999	1	3
260,000 - 279,999	0	1
280,000 - 299,999	0	0
300,000 - 319,999	0	0
320,000 - 339,999	1	0
<b>340,000 - 359,999</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>59</b>	<b>73</b>

Notes:

1. These are roles as defined by the Employment of States of Jersey Employees (Law) 2005 Schedule 1.
2. These are senior civil servants and directors within the Government of Jersey, Non-Ministerial Departments

## By Pay group

### Remuneration and Pay

Number of Employees with total remuneration over £100,000 per year (excluding social security contributions)

Department	£100,000 - £149,999		£150,000 and over	
	2021	2020	2021	2020
Civil Servants	94	73	5	2
Nurses and Midwives	3	7	0	0
Doctors	44	46	74	74
Manual workers	1	0	0	0
Workforce Modernisation Group	1	0	0	0
Headteachers and deputies	33	22	0	0
Prison Officers	1	2	0	0
Fire and Rescue Services	1	1	0	1
States of Jersey Police	10	11	1	1
Non-Ministerial Departments	23	27	5	5
Office Holders <sup>1</sup>	4	3	8	8
Individual Contract Holders <sup>2</sup>	25	41	26	25
<b>Total</b>	<b>240</b>	<b>233</b>	<b>119</b>	<b>116</b>

### Pay by Band (excluding social security)

Department	£0 – £19,999	£20,000 – £39,999	£40,000 – £59,000	£60,000 – £79,000	£80,000 – £99,999	£100,000+	Total
Civil Servants	1,286	1,528	1,025	698	220	99	4,856
Nurses and Midwives	316	304	404	350	65	3	1,442
Doctors	83	48	35	18	9	118	311
Manual workers	216	434	250	38	2	1	941
Workforce Modernisation Group	101	44	85	50	1	1	282
Teachers	168	154	242	463	98	0	1,125
Headteachers and deputies	0	1	1	3	41	33	79
Prison Officers	3	13	52	49	3	1	121
Fire and Rescue Services	32	3	38	22	4	1	100
States of Jersey Police	10	15	42	116	24	11	218
Non-Ministerial Departments	50	7	5	0	0	28	90
Office Holders <sup>1</sup>	0	0	0	0	0	12	12
Individual Contract Holders <sup>2</sup>	0	0	0	0	0	51	51
<b>Total</b>	<b>2,265</b>	<b>2,551</b>	<b>2,179</b>	<b>1,807</b>	<b>467</b>	<b>359</b>	<b>9,628</b>

#### Notes:

1. These are roles as defined by the Employment of States of Jersey Employees (Law) 2005 Schedule 1.
2. These are senior civil servants and directors within the Government of Jersey, Non-Ministerial Departments



## Employees costs - Audited

The tables below provide a breakdown of employees across core Government and non-ministerial departments. A full breakdown of employee costs across the group can be found in note 4.8 Employees Costs.

2021 Year End FTE	Department	Salaries and Wages £000	Pension £000	Social Security £000	Total £000
261.3	Chief Operating Office	14,201	1,978	774	16,953
1,945.6	Children, Young People, Education and Skills	99,571	14,953	6,130	120,654
303.2	Customer and Local Services	13,117	1,973	813	15,903
532.9	Infrastructure, Housing and Environment	23,290	3,950	1,604	28,844
2,294.0	Health and Community Services	133,280	17,164	7,421	157,865
731.3	Justice and Home Affairs	38,255	5,789	2,340	46,384
200.8	Non-Ministerial	13,158	2,366	740	16,264
77.7	Office of the Chief Executive	7,619	1,113	388	9,120
31.7	States Assembly (States)	5,469	440	161	6,070
96.6	Strategic Policy, Planning and Performance	16,295	1,281	858	18,434
311.2	Treasury and Exchequer	15,958	2,460	950	19,368
<b>6,833.0</b>	<b>Department Total</b>	<b>380,213</b>	<b>53,467</b>	<b>22,179</b>	<b>455,859</b>
19	Jersey Car Parks	651	111	44	806
21.5	Jersey Fleet Management	853	132	58	1,043
<b>40.5</b>	<b>Trading Operations Total</b>	<b>1,504</b>	<b>243</b>	<b>102</b>	<b>1,849</b>
311.8	Subsidiaries	21,047	2,745	1,245	25,037
<b>7,185.3</b>	<b>Total</b>	<b>402,764</b>	<b>56,455</b>	<b>23,526</b>	<b>482,745</b>

2020 Year End FTE	Department	Salaries and Wages	Pension	Social Security	Total
		£000	£000	£000	£000
196	Chief Operating Office	10,419	1,478	589	12,486
1,871	Children, Young People, Education and Skills	96,784	14,270	5,891	116,945
268	Customer and Local Services	11,150	1,671	701	13,522
569.8	Infrastructure, Housing and Environment	26,378	3,677	1,607	31,662
2,194	Health and Community Services	125,857	16,548	7,293	149,698
721	Justice and Home Affairs	43,005	5,624	2,356	50,985
196	Non-Ministerial	13,424	1,974	784	16,182
99	Office of the Chief Executive	6,608	1,020	354	7,982
42	States Assembly (States Greffe) (Excluding States Members)	2,734	363	137	3,234
91.5	Strategic Policy, Planning and Performance	5,805	825	321	6,951
259	Treasury and Exchequer	13,344	2,21	718	16,276
<b>6,508</b>	<b>Department Total</b>	<b>355,508</b>	<b>49,664</b>	<b>20,751</b>	<b>425,923</b>
20	Jersey Car Parks	745	117	48	910
19	Jersey Fleet Management	862	120	56	1,038
<b>39</b>	<b>Trading Operations Total</b>	<b>1,607</b>	<b>237</b>	<b>104</b>	<b>1,948</b>
372	Subsidiaries	26,487	2,933	1,374	30,794
<b>6,919</b>	<b>Total</b>	<b>383,602</b>	<b>52,834</b>	<b>22,229</b>	<b>458,665</b>

## By Pay Group

Pay Group	2021	2020
	£000	£000
Director's General, Judicial Greffe, Crown Appointments, Legislative Drafters and Other Personal Contract Holders	10,211	10,728
Civil Servants (Including A-Grades)	168,313	145,307
Doctors and Consultants	23,271	26,051
Energy Recovery Facility	1,608	1,583
Heads and Deputy Heads, Highlands Managers	6,557	6,702
Law Officers	3,564	3,125
Manual Workers	25,819	25,342
Nurses and Midwives	55,447	53,933
Other Health Pay Groups	4,846	4,855
Teachers and Lecturers	51,346	48,645
Uniformed Services	25,291	25,687
Youth Service	1,671	1,586
Subsidiaries	22,162	26,487
Other Accounting Adjustments	1766	5,086
Amount Shown in Other Employee Costs (see note 4.8)	895	(1,515)
<b>Total Salaries and Wages</b>	<b>402,764</b>	<b>383,602</b>
Pension	56,455	52,834
Social Security	23,526	22,229
<b>Total</b>	<b>482,745</b>	<b>458,665</b>

## By Payment Type

Payment Type	2021	2020
	£000	£000
Ad Hoc Payments / Supplements	2,058	6,686
Basic Pay	372,661	351,952
Benefits	491	730
Business Expenses	50	29
Other Time Payments	317	264
Overtime	8,387	7,889
Relocation Expenses	242	299
Shift Allowances	12,242	11,448
Sickness Offsets From Social Security	(2,070)	(1,764)
Skill Related Payments	2,770	1,299
Standby Payments	2,311	2,206
Other Accounting Adjustments	2,505	4,079
Amount Shown in Other Employee Costs (see note 4.8)	799	(1,515)
<b>Total Salaries and Wages</b>	<b>402,764</b>	<b>383,602</b>
Pension	56,455	52,834
Social Security	23,526	22,229
<b>Total</b>	<b>482,745</b>	<b>458,655</b>

## Employee sickness absence

Absence Type	Hours			Days		
	2021	2020	2019	2021	2020	2019
Sickness	426,531	265,227	313,986	57,639	35,841	42,430
CoronaVirus	36,823	167,880	-	4,976	22,686	-
<b>Total</b>	<b>463,354</b>	<b>433,107</b>	<b>313,986</b>	<b>62,615</b>	<b>58,527</b>	<b>42,430</b>
<b>% Working Time Lost</b>	<b>4%</b>	<b>4%</b>	<b>3%</b>	<b>4%</b>	<b>4%</b>	<b>3%</b>

Note: This table excludes subsidiaries companies' sickness

## Employee well-being

A new contract with Occupational Health provider AXA was agreed and signed in November 2021 that included a number of negotiated improvements, notably increases in the required health surveillance offer, increases to new starter health assessments, increased on island presence of OHA and OHP's, improved administrative support and turn round times. The impact of Covid and increasing mental ill-health in some areas has led to more demand for counselling services which has been met by augmenting the AXA offer with a number of on island specialist providers being engaged to provide additional and specialist support as required. We have continued to expand our internal Mental Health First Aider (MHFA) network with additional training offered and have been actively promoting the Employee Assistance Offer (EAP) that is available 24/7.

The delivery of the annual winter flu vaccination programme for all employees other than those working in HCS (who have always previously administered their own programme for HCS staff) was managed through HCS this year with take up in line with previous years. A refined Wellbeing Strategy is in development with the People and Culture Plans held by departments now including dedicated sections on planned Wellbeing initiatives. The range of Wellbeing support available to all employees is promoted through our new internal Wellbeing magazine, titled 'Breathe' with the launch edition topping the most 'clicked' article on Our Gov and we use 'Wellbeing Wednesdays' to promote a wide range of Wellbeing articles, apps and resources

## HCS well-being

Non-recurring funding was obtained from the Bailiff Covid Appeal Fund to develop a programme of wellbeing support for Health and Community services (HCS) staff. An HCS Wellbeing team including a senior counsellor and psychological wellbeing-practitioner have implemented wellbeing checks for all HCS employees who have tested Covid positive, one to one psychological therapy for HCS employees as well as delivering interventions to teams and managers to strengthen their resilience as they reconnect and return to business as usual.

An HCS Wellbeing Committee commenced in 2020 to co-ordinate and endorse the development of the employee wellbeing programme and act as an advisory forum about all wellbeing issues.

## Expenditure on Consultancy and Temporary Employees

Consultants are hired to work on projects in a number of specific situations:

- where the Government does not have the skills set required
- where the particular requirement falls outside the core business of public servants
- where an external, independent perspective is required.
- When used appropriately, consultancy can be a cost-effective and efficient way of getting the temporary and skilled external input that the government needs.

Engagement of consultants is governed by financial directions/the Public Finances Manual.

Expenditure accounted for as consultancy and temporary employees was £1.3 million and £15.2 million in 2021 compared to £4.7 million and £9.3 million respectively in 2020. This analysis is based on the accounting definitions of spend on consultancy and temporary staff, which is not the same as spend with consultancy companies that can provide employees to operate within the organisation on a hired services basis.

A more detailed analysis of spend on consultants is published at six monthly intervals in response to Proposition 59/2019.

# Political Accountability Report

## **Statement of Outturn against Approvals**

This section provides a breakdown of how much the government has received in income and spent against the approvals made by the States Assembly. It is presented consistently with approvals made under the Public Finances (Jersey) Law 2019 and in the Government Plan 2021-2024.

The budgeting system, and the consequential presentation of the Statement of Outturn against Approvals (SoOaA) and related notes has different objectives to IFRS-based accounts. The system supports the achievement of macro-economic stability by ensuring that public expenditure is controlled, with relevant States approval, in support of the Government's fiscal framework.

## Statement of Revenue Outturn against Approvals

2020		2021 Govern- ment Plan	2021 Final Ap- proved Budget*	2021 Actual	Difference from Approval
£'000		£'000	£'000	£'000	£'000
851,909	States Net General Revenue Income	806,350	806,350	998,068	(191,718)
(918,569)	Departmental Net Revenue Expenditure - Near Cash	(867,325)	(925,058)	(887,914)	(37,144)
<b>(66,660)</b>	<b>Operating Surplus/(Deficit)</b>	<b>(60,975)</b>	<b>(118,708)</b>	<b>110,154</b>	<b>(228,862)</b>
(46,699)	Departmental Depreciation/Amortisation	(54,646)	(54,646)	(42,418)	(12,228)
<b>(113,359)</b>	<b>(Deficit)/Surplus of General Revenue Expenditure over Income</b>	<b>(115,621)</b>	<b>(173,354)</b>	<b>67,736</b>	<b>(241,090)</b>
(12,096)	Revenue Expenditure on Projects			(11,860)	11,860
	Revenue Expenditure on Projects Reclassified in Year			(2,089)	
(22,940)	Departmental Net Revenue Expenditure - Other Non Cash	-	-		-
(196)	Trading Operations Net Revenue Income/(Expenditure)			2,303	
77,170	Net Revenue Income of Special Funds			85,506	
109,437	Net Revenue Income of Social Security Funds			168,450	
662	Net Revenue Income of SOJDC			540	
(15,563)	Net Revenue (Expenditure) of Andium Homes			(31,056)	
(32,060)	Net Revenue Income/(Expenditure) of Ports of Jersey			(21,596)	
(7,543)	Other (Expenditure)/Income <sup>1</sup>			(17,258)	
(7,800)	Consolidation Adjustments <sup>2</sup>			(1,795)	
<b>(24,288)</b>	<b>Net Revenue Income/(Expenditure) as Reported in the SoCNE</b>	<b>(113,198)</b>	<b>(170,931)</b>	<b>238,881</b>	

Reconciliation of Approvals on page 288 provides a summary of the approved changes to the budgets approved by the States Assembly in the Government Plan to the Final Approved Budget.

In 2021, the bulk of the additional funding approved in departments related to covid costs as outlined in the Financial Review section.

1. This includes other Consolidated fund items, including movements in Pension Liabilities, charges relating to Finance Leases and movements in hedging arrangements.

2. Accounting Standards require that all transactions and balances between entities within the States of Jersey group are eliminated in the consolidated accounts.

## Reconciliation of movement in Unallocated Consolidated Fund Balance

	2021 £'000	2020 £'000
Opening balance	336,050	479,267
<b>Carry forwards from previous year</b>		
Departments	12,235	-
Projects	84,303	105,734
Reserves	59,055	25,265
<b>Reallocate carry forwards</b>		
Departments	(12,235)	-
Projects	(19,842)	-
Reserves	32,077	-
	-	-
<b>Net General Revenue Income</b>	<b>998,068</b>	<b>851,910</b>
<b>Net Departmental expenditure - near cash</b>		
Expenditure	(887,914)	(918,570)
Capital	(4,328)	-
<b>Project spend</b>		
Expenditure	(13,949)	(12,096)
Capital	(122,477)	(92,037)
<b>Other near-cash spend</b>		
Expenditure	(3,155)	529
Capital	-	-
Asset disposal proceeds	86	4
Capital repayment to currency fund	(684)	(659)
Transfers from:		
Strategic reserve fund	21,000	-
Stabilisation fund	-	50,000
Health insurance fund	6,332	5,322
Civil Asset Recovery Fund	4,200	-
COCF funding previously spent from Consolidated fund	4,196	1,974
Transfers to:		
Climate Emergency Fund	-	(5,000)
<b>Fund movement</b>	<b>156,968</b>	<b>12,376</b>
<b>Closing balance before carry forwards</b>	<b>493,018</b>	<b>491,643</b>
<b>Carry forward to subsequent year from:</b>		
Department HOE	(5,732)	(12,235)
Project HOE	(67,472)	(84,303)
Reserves HOE	(32,949)	(59,055)
<b>Closing balance</b>	<b>386,865</b>	<b>336,050</b>
Less: PYB Tax Debtor >1yr	(331,373)	-
<b>Adjusted Closing Balance</b>	<b>55,492</b>	<b>336,050</b>



## Notes to the Statement of Outturn Against Approvals - Revenue Expenditure

### a) Net General Revenue Income against Estimate

2020	2021 Budget	2021				
		Income	Expenditure	Actual	Difference from Budget	
£'000	£'000	£'000	£'000	£'000	£'000	
<b>Income Tax</b>						
462,799	Personal Income Tax	461,102	557,912	(114)	557,798	96,696
119,638	Companies	104,396	85,472	4	85,476	(18,920)
(260)	Provision for Bad Debts	(6,000)	-	(1,444)	(1,444)	4,556
<b>582,177</b>	<b>Net Income Tax</b>	<b>559,498</b>	<b>643,384</b>	<b>(1,554)</b>	<b>641,830</b>	<b>82,332</b>
<b>93,887</b>	<b>Goods and Services Tax (GST)</b>	<b>88,712</b>	<b>106,601</b>	<b>(228)</b>	<b>106,373</b>	<b>17,661</b>
<b>Impôts Duties</b>						
8,499	Spirits	7,185	9,312	-	9,312	2,127
9,413	Wines	8,986	9,640	-	9,640	654
940	Cider	860	881	-	881	21
6,168	Beer	6,569	6,041	-	6,041	(528)
23,860	Tobacco	16,463	25,669	-	25,669	9,206
22,636	Fuel	24,993	25,131	-	25,131	138
431	Goods (Customs)	200	1,145	-	1,145	945
2,311	Vehicle Emissions Duty	2,730	2,511	-	2,511	(219)
(4)	Impôts Other	-	-	37	37	37
<b>74,254</b>	<b>Impôts Duties</b>	<b>67,986</b>	<b>80,330</b>	<b>37</b>	<b>80,367</b>	<b>12,381</b>
<b>Stamp Duty</b>						
34,562	Stamp Duty	26,641	54,666	-	54,666	28,025
-	Probate	2,400	3,004	-	3,004	604
2,586	Land Transactions Tax	2,247	3,322	-	3,322	1,075
<b>37,148</b>	<b>Stamp Duty</b>	<b>31,288</b>	<b>60,992</b>	<b>-</b>	<b>60,992</b>	<b>29,704</b>
<b>Fines and Other Income</b>						
10,997	Dividends	8,133	48,667	-	48,667	40,534
9,374	Non Dividends	5,473	16,025	(84)	15,942	10,469
30,787	Returns from Housing Associations	31,774	30,143	-	30,143	(1,631)
<b>51,158</b>	<b>Fines and Other Income</b>	<b>45,380</b>	<b>94,835</b>	<b>(84)</b>	<b>94,752</b>	<b>49,372</b>
<b>13,286</b>	<b>Island Rate</b>	<b>13,486</b>	<b>13,754</b>	<b>-</b>	<b>13,754</b>	<b>268</b>
<b>851,910</b>	<b>Net General Revenue Income</b>	<b>806,350</b>	<b>999,896</b>	<b>(1,829)</b>	<b>998,068</b>	<b>191,718</b>

## Political Accountability Report

## Notes to the Statement of Outturn Against Approvals - Revenue Expenditure

## b) Ministerial and Non-Ministerial Departments Net Revenue Expenditure (Near Cash) against Approval

2020		Government Plan 2021			Final Approved Budget*			2021 Outturn			Difference from Final Approved Budget
		Income	Expenditure	Net Government Plan Budget	Income	Expenditure	Net Final Approved Budget	Income	Expenditure	Net Outturn	
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Ministerial Departments</b>											
35,094	Office of the Chief Executive	(145)	8,650	8,505	(152)	8,912	8,760	(1,040)	8,764	7,724	(1,036)
-	Financial Services and Digital	(54)	33,615	33,561	(1,162)	35,305	34,143	(1,237)	33,841	32,604	(1,539)
12,025	Jersey Overseas Aid	-	12,374	12,374	-	12,374	12,374	(100)	12,216	12,116	(258)
30,228	Chief Operating Office	(1,029)	37,667	36,638	(1,300)	35,996	34,696	(1,484)	34,515	33,031	(1,665)
153,355	Children, Young People, Education	(19,845)	180,131	160,286	(23,494)	183,615	160,121	(23,033)	180,423	157,390	(2,731)
206,703	Customer and Local Services	(9,486)	101,201	91,715	(11,321)	104,956	93,635	(11,446)	103,230	91,784	(1,851)
62,991	Infrastructure Housing and Environment	(32,592)	77,163	44,571	(31,974)	78,675	46,701	(26,652)	72,737	46,085	(616)
239,728	Health and Community Services	(25,031)	252,466	227,435	(24,660)	255,078	230,418	(24,643)	253,558	228,915	(1,503)
72,023	Justice and Home Affairs	(3,457)	33,070	29,613	(3,493)	33,962	30,469	(3,651)	33,904	30,253	(216)
-	States of Jersey Police Service	(234)	27,038	26,804	(381)	26,229	25,848	(275)	25,996	25,721	(127)
66,562	Treasury & Exchequer	(5,261)	72,416	67,155	(4,047)	80,529	76,482	(4,440)	79,710	75,270	(1,212)
12,307	Strategic Policy, Performance	(589)	10,586	9,997	(804)	10,875	10,071	(654)	10,041	9,387	(684)
<b>Non Ministerial States Funded Bodies and the States Assembly</b>											
1,971	Bailiff's Chambers	(68)	1,909	1,841	(68)	2,069	2,001	(31)	2,033	2,002	1
7,707	Law Officers' Department	(288)	8,740	8,452	(538)	9,144	8,606	(691)	9,075	8,384	(222)
6,865	Judicial Greffe	(1,292)	8,885	7,593	(1,292)	8,793	7,501	(1,331)	7,698	6,367	(1,134)
50	Viscount's Department	(806)	2,518	1,712	(863)	2,558	1,695	(1,794)	2,024	230	(1,465)
575	Official Analyst	(53)	656	603	(53)	662	609	(45)	587	542	(67)
757	Office of the Lieutenant Governor	(107)	911	804	(107)	920	813	(146)	923	777	(36)
2,103	Probation Department	(88)	2,459	2,371	(88)	2,492	2,404	(104)	2,380	2,276	(128)
872	Comptroller and Auditor General	(69)	939	870	(69)	1,012	943	(74)	957	883	(60)
6,654	States Assembly and its services	(96)	7,244	7,148	(96)	7,339	7,243	(72)	7,217	7,145	(98)
-	Covid 19 Response	-	87,277	87,277	3	127,522	127,525	(92)	109,020	108,928	(18,597)
-	Debt Management	-	-	-	-	2,000	2,000	-	100	100	(1,900)
918,570	<b>Net Revenue Expenditure - Near Cash</b>	<b>(100,590)</b>	<b>967,915</b>	<b>867,325</b>	<b>(105,959)</b>	<b>1,031,017</b>	<b>925,058</b>	<b>(103,035)</b>	<b>990,949</b>	<b>887,914</b>	<b>(37,144)</b>
<b>Capital Spend in Ministerial Departments</b>											
	Children, Young People, Education	-	-	-	-	32	32	-	32	32	-
	Infrastructure Housing and Environment	-	-	-	-	784	784	-	784	784	-
	Financial Services and Digital	-	-	-	-	3,512	3,512	-	3,512	3,512	-
	<b>Total Capital on Departments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,328</b>	<b>4,328</b>	<b>-</b>	<b>4,328</b>	<b>4,328</b>	<b>-</b>
	<b>Net Revenue Expenditure - Near Cash, including Capital</b>	<b>(100,590)</b>	<b>967,915</b>	<b>867,325</b>	<b>(105,959)</b>	<b>1,035,345</b>	<b>929,386</b>	<b>(103,035)</b>	<b>995,277</b>	<b>892,242</b>	<b>(37,144)</b>

\* e) Reconciliation of Approvals on page 288 provides a summary of the approved changes to the budgets approved by the States Assembly in the Government Plan to the Final Approved Budget.



## Notes to the Statement of Outturn Against Approvals - Revenue Expenditure

### d) Trading Operations Net Revenue Expenditure against Approval

2020	Government Plan 2021			Final Budget			2021 Outturn			Difference from Final Approved Budget
	Estimated Income	Estimated Expenditure	Estimated Net Income	Income	Expenditure	Net Budget	Income	Expenditure	Net Outturn	
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
(774) Jersey Car Parking	6,199	(5,670)	529	6,199	(5,670)	529	7,287	(6,001)	1,286	757
578 Jersey Fleet Management	4,902	(3,008)	1,894	4,902	(3,008)	1,894	5,309	(4,292)	1,017	(877)
<b>(196) Net Revenue Income/(Expenditure) – Trading Operations</b>	<b>11,101</b>	<b>(8,678)</b>	<b>2,423</b>	<b>11,101</b>	<b>(8,678)</b>	<b>2,423</b>	<b>12,596</b>	<b>(10,293)</b>	<b>2,303</b>	<b>(120)</b>

## Political Accountability Report

## Notes to the Statement of Outturn Against Approvals - Revenue Expenditure

## e) Reconciliation of Approvals

Department	2021 Government Plan As Amended	Carry Forward from 2020	Additional Funding	Fiscal Stimulus Expense	Fiscal Stimulus Income	Allocation of Reserves	Transfers to/from Projects	Departmental Transfers	2021 Approved Budget as at December Near Cash	2021 Capital Budget	2021 Approved Head of Expenditure	Gov Plan 2020 Total NRE Non Cash	In Year Adjustments	2021 Approved Budget as at December Non Cash	2021 Final Approved Budget with Capital Approvals
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Ministerial Departments</b>															
Office of the Chief Executive	8,505					103		152	8,760		8,760				8,760
Financial Services and Digital	33,561			7,427	(7,427)	733		(152)	34,142	3,512	37,654				37,654
Jersey Overseas Aid	12,374					-		-	12,374	-	12,374				12,374
Chief Operating Office	36,638					1,801	(1,140)	(2,603)	34,696	-	34,696	659	(70)	589	35,285
Children, Young People, Education	160,286			4,210	(4,242)	1,304		(1,436)	160,122	32	160,154	204		204	160,358
Customer and Local Services	91,715			1,858	(1,858)	155		1,765	93,635	-	93,635	10	8	18	93,653
Infrastructure Housing and Environment	44,571		(684)	1,050	(1,834)	3,654		(56)	46,701	784	47,485	47,000		47,000	94,485
Health and Community Services	227,435			1,049	(1,049)	17,937	(11,167)	(3,788)	230,417	-	230,417	3,207	(8)	3,199	233,616
Justice and Home Affairs	29,613					948		(92)	30,469	-	30,469	1,534		1,534	32,003
States of Jersey Police Service	26,804					317		(1,273)	25,848	-	25,848	900		900	26,748
Treasury & Exchequer	67,155					1,794		7,532	76,481	-	76,481	925	70	995	77,476
Strategic Policy, Performance	9,997					123		(49)	10,071	-	10,071	37		37	10,108
<b>Non Ministerial States Funded Bodies</b>															
Bailiff's Chamber	1,841					11		150	2,002	-	2,002				2,002
Law Officers' Department	8,452					154		-	8,606	-	8,606				8,606
Judicial Greffe	7,593					58		(150)	7,501	-	7,501				7,501
Viscount's Department	1,712					(17)		-	1,695	-	1,695			41	1,736
Official Analyst	603					6		-	609	-	609	41		62	671
Office of the Lieutenant Governor	804					9		-	813	-	813	67		67	880
Probation Department	2,371					33		-	2,404	-	2,404				2,404
Comptroller and Auditor General	870					73		-	943	-	943				943
<b>States Assembly and its services</b>	<b>7,148</b>					<b>95</b>		<b>-</b>	<b>7,243</b>		<b>7,243</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,243</b>
Covid 19 Response	87,277					40,249		-	127,526	-	127,526				127,526
Debt Management	-		2,000			-		-	2,000	-	2,000				2,000
Allocation of Reserves	65,101	90,181				(73,051)			82,231	-	82,231	-	-	-	82,231
<b>Net Revenue Expenditure</b>	<b>932,426</b>	<b>90,181</b>	<b>1,316</b>	<b>15,594</b>	<b>(16,410)</b>	<b>(3,511)</b>	<b>(12,307)</b>	<b>-</b>	<b>1,007,289</b>	<b>4,328</b>	<b>1,011,617</b>	<b>54,646</b>	<b>-</b>	<b>54,646</b>	<b>1,066,263</b>

\*See the Financial Review section for a breakdown of the additional funding agreed and the specific list of Covid-19 costs in 2021.

## Political Accountability Report

## Project Expenditure

### a) Project Expenditure from the Consolidated Fund

Head of Expenditure	Department	2021 Government Plan Allocation	Net Budget Brought forward from 2020	Allocations from Reserves	Additional Funding	Capital From Department Revenue	Project to Project	Available Budget	2021 Capital Expenditure	2021 Revenue Expenditure	Total 2021 Expenditure	Unspent Project Approvals as at 31 December 21	Returns to the Consolidated Fund	Carry forward Project Approvals as at 31 December 21
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Central Planing Reserve	T&E	1,900	-	(1,200)	-	-	(250)	450	-	-	-	450	-	450
Discrimination law, safeguarding and regulation of care	IHE	3,600	-	-	-	-	(1,500)	2,100	370	-	370	1,730	1,157	573
Schools Extensions and Improvements	IHE	5,901	-	-	-	-	(1,586)	4,315	1,666	-	1,666	2,649	618	2,031
Infrastructure including the Rolling Vote	IHE	11,732	1,240	-	-	-	-	12,972	12,258	84	12,342	630	-	630
Drainage Foul Sewer Extension	IHE	1,000	-	-	-	-	(16)	984	105	-	105	879	-	879
Replacement assets	COO	5,000	-	-	-	-	-	5,000	4,616	384	5,000	-	-	-
Phoenix Software	Non Mins	45	-	-	-	-	-	45	-	-	-	45	-	45
Court Digitisation	Non Mins	1,648	-	-	-	-	(819)	829	154	392	546	283	-	283
Regulation Digital Assets	IHE	1,290	-	-	-	-	(1,000)	290	259	-	259	31	31	-
Combined Control IT	JHA	2,000	-	-	-	-	(400)	1,600	248	-	248	1,352	-	1,352
Electronic patient records	JHA	667	-	-	-	-	(130)	537	9	-	9	528	-	528
Electronic Document Management	COO	500	-	-	-	-	(500)	-	-	-	-	-	-	-
IT for Migration Services	COO	1,000	-	-	-	-	-	1,000	130	-	130	870	-	870
Service Digitisation	COO	1,000	-	-	-	-	-	1,000	741	-	741	259	-	259
Jersey Care Model	HCS	1,300	-	-	-	-	-	1,300	162	-	162	1,138	-	1,138
Replacement Assets & Minor Capital	CYPES	200	-	-	-	-	-	200	174	-	174	26	26	-
Replacement Assets (Various)	HCS	-	-	-	-	-	3,250	3,250	1,382	-	1,382	1,868	-	1,868
Replacement Assets HCS	HCS	3,250	-	-	-	-	(3,250)	-	-	-	-	-	-	-
Sports Division Refurbishment	IHE	1,300	-	-	-	-	(500)	800	642	105	747	53	-	53
New Skatepark	IHE	685	-	-	-	-	-	685	126	-	126	559	-	559
Replacement Assets and Minor Capital	IHE	3,500	-	-	-	-	16	3,516	3,501	15	3,516	-	-	-
Minor capital 2020	JHA	236	-	-	-	-	-	236	38	14	52	184	-	184
Police minor capital 2021	JHA - Police	200	-	-	-	-	-	200	-	-	-	200	-	200
Equipment replacement 2021	JHA - Police	170	-	-	-	-	-	170	118	52	170	-	-	-
Aerial ladder platform	JHA	768	-	-	-	-	(671)	97	-	-	-	97	-	97

## Political Accountability Report

## Project Expenditure

### a) Project Expenditure from the Consolidated Fund (continued)

Head of Expenditure	Department	2021 Government Plan Allocation	Net Budget Brought forward from 2020	Allocations from Reserves	Additional Funding	Capital From Department Revenue	Project to Project	Available Budget	2021 Capital Expenditure	2021 Revenue Expenditure	Total 2021 Expenditure	Unspent Project Approvals as at 31 December 21	Returns to the Consolidated Fund	Carry forward Project Approvals as at 31 December 21	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Conversion Courtroom	Non Mins	440	-	-	-	-	-	440	2	-	2	438	-	-	
States of Jersey Police Firearms Range	JHA - Police	1,200	-	-	-	-	-	1,200	173	-	173	1,027	-	1,027	
Prison Phase 6	IHE	90	8,416	-	-	-	-	8,506	4,756	-	4,756	3,750	-	3,750	
Prison Phase 8	JHA	666	-	-	-	-	-	666	3	-	3	663	-	663	
Dewberry House SARC 2021	JHA - Police	1,800	-	-	-	-	-	1,800	-	-	-	1,800	-	1,800	
Piquet House - Family Court	Non Mins	1,071	-	-	-	-	-	1,071	6	-	6	1,065	1,065	-	
Health Services Improvements	HCS	5,000	-	-	-	-	-	5,000	796	2,621	3,417	1,583	-	1,583	
Five Oaks Refurbishment	HCS	2,550	-	-	-	-	-	2,550	2,492	-	2,492	58	-	58	
Rouge Bouillon Site Review	IHE	2,000	-	-	-	-	(1,500)	500	29	-	29	471	471	-	
In-patient/support services	HCS	1,044	-	-	-	-	-	1,044	5	-	5	1,039	-	1,039	
Central Risk & Inflation	T&E	1,500	-	-	-	-	-	1,500	-	-	-	1,500	-	1,500	
<b>Total</b>		<b>66,253</b>	<b>9,656</b>	<b>(1,200)</b>	<b>-</b>	<b>-</b>	<b>(8,856)</b>	<b>65,853</b>	<b>34,961</b>	<b>3,667</b>	<b>38,628</b>	<b>27,225</b>	<b>3,368</b>	<b>23,857</b>	
<b>Major Projects</b>															
MS Foundation	COO	2,570	1,427	-	-	-	-	3,997	1,782	-	1,782	2,215	-	2,215	
Integrated Tech Solution	COO	9,200	2,612	-	7,900	-	-	19,712	15,253	1,926	17,179	2,533	-	2,533	
Cyber	COO	6,500	2,168	-	-	-	(2,000)	6,668	3,506	-	3,506	3,162	-	3,162	
Vehicle Testing Centre	IHE	2,000	-	-	-	-	(1,800)	200	7	-	7	193	-	193	
Learning Difficulties - Special Needs	HCS	2,000	-	-	-	-	-	2,000	1,174	-	1,174	826	-	826	
Fort Regent (Early Phase)	IHE	4,800	-	-	-	-	-	4,800	406	117	523	4,277	1,500	2,777	
Our Hospital (Phase Two)	HCS	20,000	-	-	21,037	11,167	17,796	70,000	52,218	-	52,218	17,782	-	17,782	
Digital Care Strategy	HCS	3,400	-	-	-	-	-	3,400	1,069	-	1,069	2,331	-	2,331	
Office Modernisation	OCE	650	-	-	-	-	-	650	171	-	171	479	-	479	
<b>Total</b>		<b>51,120</b>	<b>6,207</b>	<b>-</b>	<b>28,937</b>	<b>11,167</b>	<b>13,996</b>	<b>111,427</b>	<b>75,586</b>	<b>2,043</b>	<b>77,629</b>	<b>33,798</b>	<b>1,500</b>	<b>32,298</b>	
<b>Other Projects</b>															
Jerseys Instrumental Music Service	IHE	-	-	100	-	-	-	100	-	17	17	83	-	83	

## Political Accountability Report

## Project Expenditure

### a) Project Expenditure from the Consolidated Fund (continued)

Head of Expenditure	Department	2021 Government Plan Allocation	Net Budget Brought forward from 2020	Allocations from Reserves	Additional Funding	Capital From Department Revenue	Project to Project	Available Budget	2021 Capital Expenditure	2021 Revenue Expenditure	Total 2021 Expenditure	Unspent Project Approvals as at 31 December 21	Returns to the Consolidated Fund	Carry forward Project Approvals as at 31 December 21
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Victoria College Prep Replacement School	IHE	-	-	150	-	-	-	150	1	9	10	140	-	140
North of St Helier Youth Club	IHE	-	-	350	-	-	-	350	5	9	14	336	336	-
Le Squez Youth Centre	IHE	-	-	250	-	-	-	250	-	13	13	237	237	-
Rouge Bouillon	IHE	-	-	50	-	-	-	50	41	9	50	-	-	-
Grainville Phase 5	IHE	-	4,596	-	-	-	(600)	3,996	3,434	73	3,507	489	441	48
Demoliti Fort Regent Pool	IHE	-	1,009	-	-	-	(400)	609	(1,151)	1,694	543	66	-	66
Orchard House	IHE	-	5,575	-	1,202	-	-	6,777	2,460	-	2,460	4,317	-	4,317
Refit & Replacement of Fisheries Vessel	IHE	-	402	-	-	-	(100)	302	254	-	254	48	48	-
Review of Greenfields	IHE	-	-	100	-	-	-	100	-	-	-	100	-	100
Island Sports Facilities, Inspiring Active Places	IHE	-	-	200	-	-	-	200	162	38	200	-	-	-
La Collette Waste Site Development	IHE	-	2,950	-	-	-	(1,800)	1,150	-	-	-	1,150	60	1,090
Road Safety Improvements	IHE	-	78	-	-	-	-	78	229	(151)	78	-	-	-
Les Quennevis Rep School	IHE	-	145	-	-	-	-	145	87	(6)	81	64	58	6
St Mary School	IHE	-	991	-	-	-	-	991	678	-	678	313	200	113
DVS Systems	IHE	-	34	-	-	-	-	34	28	-	28	6	6	-
Sewage Treatment Works	IHE	-	18,200	-	-	-	-	18,200	7,324	-	7,324	10,876	4,503	6,373
Our Hospital	HCS	-	14	-	-	-	-	14	-	-	-	14	14	-
Replacement RIS/PACS IT Assets	HCS	-	219	-	-	-	-	219	49	-	49	170	170	-
Minor Capital	JHA	-	476	-	-	-	-	476	428	45	473	3	3	-
Taxes Office System Renewal	T&E	-	1,914	-	-	1,140	-	3,054	2,312	-	2,312	742	-	742
Non-Mins Minor Capital	NMD	-	477	-	-	-	-	477	146	2	148	329	126	203
<b>Total</b>		-	<b>37,080</b>	<b>1,200</b>	<b>1,202</b>	<b>1,140</b>	<b>(2,900)</b>	<b>37,722</b>	<b>16,487</b>	<b>1,752</b>	<b>18,239</b>	<b>19,483</b>	<b>6,202</b>	<b>13,281</b>
<b>Grand Total</b>		<b>117,373</b>	<b>52,943</b>	<b>-</b>	<b>30,139</b>	<b>12,307</b>	<b>2,240</b>	<b>215,002</b>	<b>127,034</b>	<b>7,462</b>	<b>134,496</b>	<b>80,506</b>	<b>11,070</b>	<b>69,436</b>



## Capital Expenditure

### *b) Capital Expenditure from Trading Funds*

	2021 Expenditure - Revenue £'000	Total Project Expenditure £'000	Total Allocated Budget £'000	Remaining Unspent Budget £'000
<b>Jersey Car Parking</b>				
Anne Court Car Park	-	3,430	6,985	3,555
Automated Charging System	-	281	312	31
Car Park Maintenance & Refurbishment	-	8,286	17,274	8,988
<b>Jersey Car Parking Total</b>	-	<b>11,997</b>	<b>24,571</b>	<b>12,574</b>
<b>Jersey Fleet Management</b>				
Car Park Maint & Refurbishment	-	19,222	21,229	2,007
<b>Jersey Fleet Management Total</b>	-	<b>19,222</b>	<b>21,229</b>	<b>2,007</b>
<b>Total</b>	-	<b>31,219</b>	<b>45,800</b>	<b>14,581</b>

## Other Accountability Disclosures

### Personal Data Related Incidents

There were 64 personal data related incidents reported to the Office of the Information Commissioner in 2021. Not all incidents reported will be upheld as a data breach by the Information Commissioner.

An incident is defined as a loss, unauthorised disclosure or insecure disposal of personal data. Protected personal data is information that links an identifiable living person with information about them which, if released, would put the individual at risk of harm or distress. The definition includes sources of information that, because of the nature of the individuals or the nature, source or extent of the information, is treated as protected personal data by the States.

### Gifts

A gift is defined as something voluntarily donated, with no preconditions and without the expectation of any return. Transfers of assets between States entities, grants, social benefits, retirement gifts and long service awards are specifically not classified as gifts. As per the JFRoM, only gifts over £10,000 in value are to be disclosed. No gifts were made in 2021 (2020: nil)

	2021	2020
	£000	£000
Losses	2,367	1,593
Fruitless payments	-	-
Special payments	3,054	1,996
<b>Total</b>	<b>5,421</b>	<b>3,589</b>

Losses and special payments are items that the States would not have contemplated when it agreed budgets or passed legislation. By their nature they are items that ideally should not arise.

The term loss includes the loss of money or property belonging to a States entity. Examples include overpayments of grants, social benefits and to employees as well as theft, fraud, physical loss and abandoned debts, damage or loss of inventory and impairments.

A fruitless payment is a payment for which liability ought not to have been incurred, or where the demand for the goods and service in question could have been cancelled in time to avoid liability. Because fruitless payments will be legally due to the recipient they are not regarded as special payments. However, as due benefit will not have been received in return, they should be regarded as losses. Fruitless payments include abandoned capital schemes and constructive losses. Significant individual items are disclosed separately.

Special payments include compensation payments made under legal obligations, extra payments to contractors, ex gratia payments, severance payments and regulatory payments.

Special payments in 2021 include a confidential out of court settlement made to Mr Alwity in

respect of a terminated employment contract. The States' Employment Board agreed to pay Mr Alwitary £2,369,000 gross in respect of his claimed losses as a result of the termination of his contract of employment and neither party is entitled to comment further on the terms of this settlement.

A further breakdown of losses and special payments is provided in Note 4.23.

## Statement of responsibilities

The Treasurer of the States is required by the Public Finances (Jersey) Law 2019 to prepare the annual accounts and financial statements of the States of Jersey. The annual financial statements must be prepared in accordance with Generally Accepted Accounting Principles, and accounting standards prescribed by the Treasurer of the States with the approval of the Minister for Treasury and Resources. Under the Social Security (Jersey) Law 1974, Health Insurance (Jersey) Law 1967 and Long-Term Care (Jersey) Law 2012, accounts of the relevant funds are to be prepared in such form, manner and at such times as the Minister for Social Security may determine. The Minister considers the consolidation of the Funds into the States of Jersey Accounts sufficient for statutory reporting requirements, and so for 2021 will prepare an Annual Performance Report for the Funds that reports upon their performance with reference to the relevant statements in these accounts, rather than a separate set of accounts.

The new Public Finances (Jersey) Law 2019 came into force in June 2019 and confirmed the arrangements in the Machinery of Government (Miscellaneous Amendments) (Jersey) Law 2018 which made the Chief Executive, as Principal Accountable Officer, legally and financially accountable for the decisions and budgets of the Government of Jersey, with appropriate delegation of accountability to the Accountable Officers (Directors General) for departments.

This was an important change to strengthen accountability and modernise the public service and was complimented by the restructuring of senior management decision-making forums to create a collective strategic oversight.

In preparing the accounts, detailed in the following pages, the Treasurer has:

- applied the going-concern principle to all entities included within the accounts
- applied appropriate accounting policies in a consistent manner
- made reasonable and prudent judgements and estimates.

The Treasurer confirms that, so far as he is aware, there is no relevant audit information of which the States' auditors are unaware; and he has taken all steps that he ought to have taken as Treasurer to make himself aware of any relevant audit information and to establish that the States' auditors are aware of that information.



**Richard Bell**  
Treasurer of the States

Date: 31 March 2022

# Independent auditor's report to the Minister for Treasury and Resources

## Report on the audit of the financial statements

### Opinion

We have audited the financial statements of the States of Jersey Core Entities and its subsidiaries specified for consolidation in the Government of Jersey Financial Reporting Manual (the 'group') for the year ended 31 December 2021 which comprise the:

- Consolidated Statement of Comprehensive Net Expenditure;
- Consolidated Statement of Financial Position;
- Consolidated Statement of Changes in Taxpayers' Equity;
- Consolidated Statement of Cash Flows; and
- Notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and the 2021 Government of Jersey Financial Reporting Manual (the 'JFRoM'), which applies EU adopted International Financial Reporting Standards (IFRS) in place as at 1 January 2020 as adapted or interpreted for the Public Sector in Jersey.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the group as at 31 December 2021 and of the States of Jersey Core Entities and the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with the JFRoM;
- have been prepared in accordance with the requirements of the Public Finances (Jersey) Law 2019; and
- properly represent the activities of the States of Jersey.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), the Code of Audit Practice (November 2020) issued by the Comptroller & Auditor General, and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the States of Jersey Core Entities and of the group in accordance with the ethical requirements that are relevant to audits of financial statements in the UK, including the FRC's Ethical Standard as applied to public interest entities and listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Treasurer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our audit procedures to evaluate the Treasurer's assessment of the States of Jersey Core Entities and of the group's ability to continue to adopt the going concern basis of accounting included but were not limited to:

- the interpretation of going concern in the public sector context as reflected in the JFReM;
- undertaking an initial assessment at the planning stage of the audit to identify events or conditions that may cast significant doubt on the States of Jersey Core Entities and group's ability to continue as a going concern;
- assessing the challenges and mitigating actions put in place in response to Covid-19;
- making enquiries of the Treasurer, the Minister for Treasury and Resources, and the Risk and Audit Committee in relation to the appropriateness of the adoption of the going concern assumption;
- evaluating the appropriateness of the Treasurer's disclosures in the financial statements on going concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the States of Jersey Core Entities or on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

## Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We summarise below the key audit matters in forming our audit opinion above, together with an overview of the principal audit procedures performed to address each matter and key observations arising from those procedures.

These matters, together with our findings, were communicated to those charged with governance through our Audit Completion Report.

Key Audit Matter	How our scope addressed this matter
<p><b>Risk of fraud in revenue recognition – personal income tax (States of Jersey Core Entities)</b></p> <p>We have determined the risk of fraud in revenue recognition as being principally in relation to the personal income tax revenue because of the value and the estimation involved in accounting for and recognising the income.</p> <p>The basis for the estimate is disclosed in Note 4.5, accounting policies, section 4, revenue recognition. In addition, the personal income taxation estimate is identified as a key source of estimation uncertainty in Note 4.3.</p> <p>As disclosed in note 4.5 to the financial statements, the personal income tax recognised in 2021 is £558m. Of this, £524m is based on the personal income tax estimate for 2021. The remaining £33m relates to 2020 where the estimated income was lower than the actuals collected in 2021.</p>	<p>We addressed this risk by carrying out the following audit procedures:</p> <ul style="list-style-type: none"> <li>• evaluation of the design and implementation of key controls over the tax estimation methodology;</li> <li>• engaging an in-house expert to consider and challenge the methodology and the assumptions used in the tax estimate;</li> <li>• considering the historical accuracy of the estimates made for the 2020 financial year against actual tax revenues;</li> <li>• considering and challenging any changes to the current year estimate compared to prior year, including how the impact of Covid-19 was addressed; and</li> <li>• testing the source data used in the estimate. This included testing of a sample of tax returns.</li> </ul> <p><b>Our observations</b></p> <p>We obtained sufficient, appropriate audit evidence that the estimate for personal income tax recognised was not materially misstated for the year ended 31 December 2021.</p>
<p><b>Valuation of land, buildings, networked assets and other structures (States of Jersey Core Entities and Group)</b></p> <p>As disclosed in note 4.3 to the financial statements, management have identified valuation of social housing, drainage within networked assets and valuation of property, plant and equipment as key sources of estimation uncertainty. Note 4.9 discloses the following net book values at 31 December 2021:</p> <ul style="list-style-type: none"> <li>• Land: £352m</li> <li>• Buildings: £755m</li> <li>• Social Housing: £913m</li> <li>• Networked Assets (including land): £1,419m</li> <li>• Other Structures £359m.</li> </ul> <p>Management make key judgements, estimates and assumptions depending on the asset type when valuing these assets. Small changes in the judgements and assumptions used in valuing these assets could result in a material change to the net book value.</p>	<p>We addressed this risk by:</p> <ul style="list-style-type: none"> <li>• evaluation of the design and implementation of key controls over the valuation process;</li> <li>• considering the reasonableness of the valuations, including challenging the key assumptions used in the valuation. We engaged our own in-house valuations expert to support this work;</li> <li>• assessing the competence, skills and experience of the valuer and the instructions issued to the valuer by management;</li> <li>• testing the source data provided by management to and used by the valuer. In particular, evaluating the appropriateness of data provided to the valuer by management; and</li> <li>• testing a sample of individual assets to ensure the basis of valuations completed in 2021 were appropriate.</li> </ul> <p>As noted above we engaged an in-house valuations expert to challenge the valuation work. This included consideration of the methodology and assumptions used in the 2021 valuations.</p> <p>We also engaged our in-house valuations expert to support our audit work on the valuation of assets held by Ports of Jersey Limited, since these assets are valued on a different basis in the financial statements compared to the financial statements of Ports of Jersey Limited.</p>



Key Audit Matter	How our scope addressed this matter
<p><b>Valuation of strategic investments (States of Jersey Core Entities)</b></p> <p>Strategic investments as at 31 December 2021 are £415m, and represent the four subsidiaries that the JFRm requires to be valued rather than consolidated in the group accounts. One subsidiary is a Level 1 investment as it is listed, and the other three subsidiaries are Level 3 investments where the valuation is based on inputs that are not readily observable.</p> <p>As disclosed in the note 4.3 of the financial statements, the valuation of strategic investments is identified by the States as a key source of estimation uncertainty.</p> <p>The assets are valued at fair value and the Level 3 assets require judgements regarding comparative data on which to base the fair value estimate.</p>	<p>For the valuation of social housing held in Andium Homes Limited, we reviewed and evaluated the work performed by the component auditor in accordance with our instructions.</p> <p><b>Our observations</b></p> <p>We obtained sufficient, appropriate audit evidence that the valuation of land, buildings, networked assets and other structures was not materially misstated as at 31 December 2021.</p>
<p><b>Valuation of unquoted investments for which a market price is not readily available (States of Jersey Core Entities)</b></p> <p>As at 31 December 2021, the Common Investment Fund had assets of over £3bn. This includes £934m of assets valued as Level 3 investments.</p> <p>Valuation of these assets involves significant judgements given the unobservable inputs.</p> <p>As disclosed in the note 4.3 of the financial statements, these valuations are identified as a key source of estimation uncertainty. Note 4.15 of the financial statements detail the sensitivity of Level 3 investments to movements assumptions.</p>	<p>We addressed this risk by carrying out the following audit procedures:</p> <ul style="list-style-type: none"> <li>• evaluation of the design and implementation of key controls over the valuation process;</li> <li>• Engaging an in-house expert to assess and challenge the valuation methodology and the assumptions used by management;</li> <li>• testing the accuracy of the source data used in the valuation, in particular the comparative companies; and</li> <li>• confirming the valuations had been accurately reflected in the financial statements.</li> </ul> <p><b>Our observations</b></p> <p>We obtained sufficient, appropriate audit evidence that the valuation of strategic investments was not materially misstated as at 31 December 2021.</p>
<p><b>Valuation of unquoted investments for which a market price is not readily available (States of Jersey Core Entities)</b></p> <p>As at 31 December 2021, the Common Investment Fund had assets of over £3bn. This includes £934m of assets valued as Level 3 investments.</p> <p>Valuation of these assets involves significant judgements given the unobservable inputs.</p> <p>As disclosed in the note 4.3 of the financial statements, these valuations are identified as a key source of estimation uncertainty. Note 4.15 of the financial statements detail the sensitivity of Level 3 investments to movements assumptions.</p>	<p>We addressed this risk by carrying out the following audit procedures:</p> <ul style="list-style-type: none"> <li>• evaluation of the design and implementation of key controls over the valuation process;</li> <li>• agreeing the valuation to supporting documentation, including the investment manager valuation statements that were obtained directly by us and cash flows for any adjustments made to the investment manager valuation;</li> <li>• assessing methodologies used to value the investments as set out in investment manager valuation policies or other relevant documentation; and</li> <li>• inspecting control reports, and where relevant, bridging letters, from investment managers to identify any matters impacting on the valuation.</li> </ul> <p><b>Our observations</b></p> <p>We obtained sufficient, appropriate audit evidence that the valuation of unquoted investments was not materially misstated as at 31 December 2021.</p>

Key Audit Matter	How our scope addressed this matter
<p><b>Valuation of past service debt (States of Jersey Core Entities)</b></p> <p>The Statement of Financial Position includes liabilities associated with the Public Employees Contributory Retirement Scheme (PECRS) and Jersey Teachers Superannuation Fund (JTSF) pension schemes.</p> <p>The value of these liabilities as at 31 December 2021 is £466m.</p> <p>Valuations are provided by an external actuary. Changes in the actuarial assumptions, particularly the discount rate, can affect the value of the liabilities and this is recognised as a key source of estimation uncertainty in note 4.3 to the financial statements.</p>	<p>We addressed this area of enhanced risk by carrying out the following audit procedures:</p> <ul style="list-style-type: none"> <li>• evaluation of the design and implementation of key controls over the valuation process; and</li> <li>• assessment and challenge of the valuation methodology and assumptions applied by management's actuary, including the basis of the discount rate applied.</li> </ul> <p>We confirmed the valuations have been accurately reflected in the financial statements.</p> <p><b>Our observations</b></p> <p>We obtained sufficient, appropriate audit evidence that the valuation of past service debt was not materially misstated as at 31 December 2021.</p>

## Our application of materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	States of Jersey Core Entities	States of Jersey Group
Overall materiality	£79.3m	£93.8m
How we determined it	1% of total assets	
Rationale for benchmark applied	We consider total assets to be the key focus of users of the financial statements	
Performance materiality	£63.4m	£75.1m
	Performance materiality is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole.	
Reporting threshold	£2.4m	£2.8m
	This is the level above which we agreed we would report misstatements identified during the audit, as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.	

In our view, a lower materiality level was appropriate for the Consolidated Statement of Comprehensive Net Expenditure, where the Statement of Outturn against Approvals and regularity nature of reporting is particularly relevant. We considered total expenditure to be a focus of the user in this Statement and as such we based our specific materiality around this benchmark.

We set a materiality threshold at 1% of total expenditure, resulting in overall materiality of £14.2m, performance materiality of £11.4m and a reporting threshold of £0.4m for the Consolidated Statement of Comprehensive Net Expenditure.

Other specific materiality levels set were related party transactions (£100k), losses and special payments (£100k) and remuneration disclosures (£5k).

## An overview of the scope of our audit

As part of designing our audit, we assessed the risk of material misstatement in the financial statements, whether due to fraud or error, and then designed and performed audit procedures responsive to those risks. In particular, we looked at where the Treasurer made subjective judgements such as making assumptions on significant accounting estimates.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of a risk assessment, our understanding of the States of Jersey Core Entities and of the group, their environment, controls and critical business processes, to consider qualitative factors in order to ensure that we obtained sufficient coverage across all financial statement line items.

Our group audit scope included an audit of the financial statements of the States of Jersey Core Entities and of the group. The group comprises the States of Jersey Core Entities, which include Government Departments and a number of non-ministerial bodies and operations, and three wholly owned subsidiaries.

Based on our risk assessment, Andium Homes Limited and Ports of Jersey Limited were subject to full scope audit, and Jersey Development Company was subject to specific review. The work required for group audit purposes was undertaken by the component auditor of each subsidiary.

Subsidiary	Share of 2021 Group Total Assets of £9.4 billion	Share of 2021 Group Total Expenditure of £1.4 billion	Scope
States of Jersey Core Entities	82.3%	92.2%	Full scope audit (Mazars)
Andium Homes Limited	11.5%	3.8%	Full scope audit (separate component auditor)
Ports of Jersey Limited	5.1%	3.8%	Full scope audit (separate component auditor)
Jersey Development Company	1.1%	0.2%	Specific review (separate component auditor)
TOTAL	100.0%	100.0%	

We issued group audit instructions for the work that we required from the component auditors to support the Group audit opinion. We provided component auditors with materiality levels to apply for the purposes of the group audit. We liaised with the component auditors on an ongoing basis during the audit. We received formal reports from the component auditors on the outcomes of their work, and we reviewed key working papers relating to the components under full scope audit.

We also tested the consolidation process and carried out analytical procedures to confirm our conclusion that there were no significant risks of material misstatement of the aggregated financial information.

### **Extent to which our audit was considered capable of detecting irregularities, including fraud**

Under ISAs (UK), we are required to explain to what extent our audit was considered capable of detecting irregularities, including fraud.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, as set out in the “Auditor’s responsibilities for the audit of the financial statements” section of this report, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the States of Jersey and of the group, we identified that the principal risks of non-compliance with laws and regulations related to the Public Finances (Jersey) Law 2019, and we considered the extent to which non-compliance might have a material effect on the financial statements.

We evaluated the Treasurer’s incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

In identifying and assessing risks of material misstatement in respect to irregularities, including fraud, our procedures included but were not limited to:

- at the planning stage of our audit, gaining an understanding of the legal and regulatory framework applicable to the States of Jersey Core Entities and to the group, and the structure of the States of Jersey Core Entities and of the group, and considering the risk of acts by the States of Jersey Core Entities and by the group which were contrary to applicable laws and regulations;
- discussing with the Treasurer the policies and procedures in place regarding compliance with laws and regulations;
- discussing amongst the engagement team the identified laws and regulations, and remaining alert to any indications of non-compliance; and
- during the audit, focusing on areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience, through discussions with the Treasurer and the Risk and Audit Committee, from inspection of correspondence, and from review of minutes of meetings of the Council of Ministers in the year.

Our procedures in relation to fraud included but were not limited to:

- making enquiries of the Treasurer, the Risk and Audit Committee and the Minister for Treasury and Resources on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- discussing amongst the engagement team the risks of fraud, such as opportunities for fraudulent manipulation of financial statements, and determined that the principal risks were related to posting manual journal entries to manipulate financial performance and management bias through judgements and assumptions in significant accounting estimates; and
- addressing the risks of fraud through management override of controls by performing journal entry testing.

The primary responsibility for the prevention and detection of irregularities including fraud rests with both those charged with governance and management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

As a result of our procedures, we did not identify any key audit matters relating to irregularities.

The risks of material misstatement that had the greatest effect on our audit (whether or not due to fraud) are discussed in the key audit matters section of this report.

## Other information

The other information comprises the information included in the Annual Report and Accounts other than the financial statements and our auditor's report thereon. The Treasurer is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Responsibilities of the Treasurer and Principal Accountable Officer

As explained more fully in the “Statement of responsibilities” set out within the Accountability Report, the Treasurer is responsible for the preparation of the financial statements. The JFReM requires that the Treasurer should only approve the financial statements if they are satisfied that they give a true and fair view of the financial position. As explained in the Accountability Report, the Principal Accountable Officer and Accountable Officers are responsible for the proper financial management of the resources under their control and must ensure that robust governance arrangements are in place, which include a sound system of internal control and arrangements for the management of risk. These arrangements are necessary to enable the Treasurer to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Treasurer is responsible for assessing the States of Jersey Core Entities and the group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the States Assembly either intends to liquidate the States of Jersey Core Entities or the group or to cease operations, or has no realistic alternative but to do so.

## Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council’s website at [frc.org.uk/auditorsresponsibilities](https://www.frc.org.uk/auditorsresponsibilities).

## Other matters which we are required to address

We were appointed by the Comptroller and Auditor General on 9 October 2020 to audit the financial statements for the year ended 31 December 2020 and subsequent financial periods. The period of total uninterrupted engagement to date is two years, covering the year ended 31 December 2020 and the year ended 31 December 2021.

The non-audit services prohibited by the FRC’s Ethical Standard were not provided to the States of Jersey Core Entities or to the group and we remain independent of the States of Jersey Core Entities and the group in conducting our audit.

Our audit opinion is consistent with the additional report to the Minister for Treasury and Resources and the Risk and Audit Committee, which comprises our Audit Completion Report and follow up letter.

## Report on regularity

### Opinion on regularity

In our opinion, in all material respects:

- The Statement of Outturn Against Approvals properly presents the outturn against the budget approved by the States Assembly for the year ended 31 December 2021 and shows whether those totals have been exceeded; and
- The income and expenditure relating to the States of Jersey Core Entities in the Statement of Comprehensive Net Expenditure for the year ended 31 December 2021 have been applied to the purposes intended by the States Assembly and the financial transactions recorded in the financial statements confirm to the authorities which govern them.

### Basis for opinion on regularity

We are required to give reasonable assurance that the Statement of Outturn Against Approvals properly presents the outturn against amounts approved by the States Assembly and that those totals have not been exceeded. We are also required to obtain evidence sufficient to give reasonable assurance that the income and expenditure recorded in the financial statements have been applied to the purposes intended by the States Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

## Report on other legal and regulatory requirements

### *Opinion on other matters prescribed by the Code of Audit Practice*

We are required by the Code of Audit Practice (November 2020) issued by the Comptroller & Auditor General to give an opinion on whether the part of the Remuneration Report to be audited has been properly prepared in accordance with the relevant accounting and reporting framework.

In our opinion, the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with the JFReM.

## Matters on which we are required to report by exception under the Code of Audit Practice

We are required by the Code of Audit Practice (November 2020) issued by the Comptroller & Auditor General to report, by exception, where the Corporate Governance Report included in the Annual Report and Accounts:

- does not comply with any requirements for its compilation stated in the Annual Report and Accounts of the States of Jersey or directed in the Public Finances Manual, as issued by the Minister for Treasury and Resources under Article 31 of the Public Finances (Jersey) Law 2019; or
- is misleading or inconsistent with information of which the auditor is aware as a result of their audit.
- We have nothing to report in these respects.

## Use of our report

This report is made solely to the Minister for Treasury and Resources in accordance with Article 12(1) of the Comptroller and Auditor General (Jersey) Law 2014. Our audit work has been undertaken so that we might state to the Minister for Treasury and Resources those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Minister for Treasury and Resources for our audit work, for this report, or for the opinions we have formed.



**Mark Kirkham**

Partner

for and on behalf of Mazars LLP

5th Floor

3 Wellington Place

Leeds

LS1 4AP

Date: 31 March 2022



# Report of the Comptroller and Auditor General to the States Assembly

## Certificate of the Comptroller and Auditor General to the States Assembly

In accordance with Article 12(1) of the Comptroller and Auditor General (Jersey) Law 2014, I have ensured that an audit of the financial statement of the States of Jersey for the year ended 31 December 2021 has been completed. I have no matters to which I wish to draw the States' attention in accordance with Article 12(3) of the Comptroller and Auditor General (Jersey) Law 2014.



**Lynn Pamment**  
Comptroller and Auditor General

Jersey Audit Office  
de Carteret House  
7 Castle Street  
St Helier  
Jersey JE2 3BT

Date: 31 March 2022