
STATES OF JERSEY



GRANTS TO ARTS, HERITAGE AND CULTURE ORGANISATIONS (R.173 /2022): EXECUTIVE RESPONSE

Presented to the States on 2nd March 2023
by the Public Accounts Committee

STATES GREFFE

FOREWORD

In accordance with paragraphs 69-71 of the [Code of Practice](#) for engagement between ‘Scrutiny Panels and the Public Accounts Committee’ and ‘the Executive’, the Public Accounts Committee presents the Executive Response to the Comptroller and Auditor General’s Report entitled: [Grants to Arts, Heritage and Culture Organisations](#) (R.173/2022 presented to the States on 23rd December 2022).

The Committee intends to review the Executive Response to the recommendations, work planned that should be prioritised and areas for consideration and will consider whether to produce further comments in due course.

Deputy L. Feltham

Chair, Public Accounts Committee

SUMMARY OF RESPONSE

The contents of the C&AG report have been noted and welcomed by officers responsible for Culture, Arts and Heritage. Many of the recommendations and proposed actions relate to workstreams and developments that officers have already planned for execution in 2022 and 2023. The need for better processes, data and performance measurements has been a consistent theme throughout the whole strategic development process, which began in 2020. As such, it is recognised that policy development and administrative processes within the CAH team continue to need to be finessed further and are the focus of an ongoing improvement programme. This work continues and consequently is at a significantly more advanced stage now than when the C&AG began the review.

ACTION PLAN

Recommendations	Action	Target Date	Responsible Officer
R1 Undertake further analysis to review and assess options for all Jersey arts venues.	Accept. Full review to be undertaken as part of an options appraisal for the future operating model of the Jersey Opera House.	Q4 2023	Group Director, Economy
R2 Prepare and publish implementation plans for both the Arts and the Heritage Strategies. These implementation plans should include: • prioritised and costed actions • clarity on alignment of workstreams and task and finish group proposals with • priority themes • indicative implementation timetables ; and clearly allocated responsibilities.	Accept. Officers, with the Minister, are developing costed action plans for delivery of strategic objectives on a year-by-year basis. Using the strategic recommendations within the Arts and Heritage Strategies and working closely with the new strategic partnerships that have been developed as a result of the strategies, officers will develop a business plan and budget for the year ahead in Q2, which is agreed with the Department and the Minister. Officers are also now developing action plans that require a longer time horizon to ensure the delivery of the more	Q4 2023	Group Director, Economy

Recommendations	Action	Target Date	Responsible Officer
	ambitious aspects of the strategies is framed as far as is possible. This is not straightforward as currently these long-term aspects: a) have too many interdependencies to realistically, at this stage, project forward into target dates and costed plans as the development process is to some extent iterative. b) require a basis of institutional structure and policy which does not currently exist and which is in development. Building this basis is the more pressing priority and will enable more clarity of focus to support delivery of long-term strategic projects.		
R3 Review all arts and heritage KPIs to ensure that data is readily available and a baseline is determined as a reference point for trend measurement.	Accept. The Department has a revised set of KPIs and will have established the baseline in time to publish the data in the annual heritage (April 2023) and creative island statements (May 2023). Sector officers are working closely with officers from the Economics Unit and the Statistics Jersey to complete this task.	Q2 2023	Group Director, Economy
R4 Develop a holistic approach to grant funding of the three main arts bodies which recognises individual offers as well as the	Accept. Currently, grant consideration begins in September of the previous year with the submission of both a draft Business Plan and Financial	Q4 2023	Group Director, Economy

Recommendations	Action	Target Date	Responsible Officer
collective contribution to delivery of the Arts Strategy	Forecast. Officers have been seeking to provide an indication of projected grant levels for the next year to ALBs in Q2 to allow for longer term strategic planning and programming, and to bring any negotiations forward. In addition, the Department is also developing an improved standardised business plan template for all ALBs to complete alongside a review of the grant application processes. Business plans will be more outcome focussed and will align to the CSP and Ministerial Priorities. This will make it easier to read across each of the ALB's contribution to strategic outcomes while at the same time identifying overlaps and gaps between them.		
R5 Introduce a requirement for each ALB to submit a formal grant funding request with business case and needs assessment each year. The formal request should include details of: • the funding being requested • the outcomes that will	Partially Accept. The provision of business plans and financial forecasts are a standard requirement for grant funding as part of a standardised governance process. The Department is developing an improved standardised business plan template for all ALBs to complete alongside a review of	Annually	Group Director, Economy

Recommendations	Action	Target Date	Responsible Officer
be achieved with the funding granted; and how those outcomes contribute to the implementation of the relevant Arts or Heritage Strategy.	the grant application processes. Business plans will be more outcome focussed and will align to the CSP and Ministerial Priorities. This will make it easier to read across each of the ALB's contribution to strategic outcomes while at the same time identifying overlaps and gaps between them.		
R6 Liaise with each ALB and encourage development of longer-term business plans with stretched targets that link to the Arts and Heritage Strategies.	Reject. Each ALB is required to provide a detailed business plan and financial forecast for the following financial year along with a high-level outline of activities and costs for the following 3 years that will now be linked to Ministerial Delivery Plans	Annually	Group Director, Economy
R7 Put in place a mechanism to agree maintenance responsibilities and liabilities for the Opera House.	Accept. Built into the supported business case for the refurbishment of the theatre was a requirement for a minimum annual sink fund for ongoing maintenance and repair. Towards the latter part of the refurbishment works, negotiations will be held between JPH (the landlord) and the new JOH operator (the tenant) to agree an operating lease that details who is responsible for what.	Q3/2023	Group Director, Economy
P1 Complete the current review of the content of the	Partially Accept. On an annual basis the	Annually	Group Director, Economy

Recommendations	Action	Target Date	Responsible Officer
Governance Checklist used as part of the grant application process and ensure that the questions are based on an assessment of risks and the level of assurance required.	Department reviews the Governance Checklist, for grant funding +/- £1 million, in consultation with Commercial Services. This was updated before the end of 2022 and issued to all ALBs to complete as part of the Grant Appraisal process.		
A1 Bring forward the grant appraisal in respect of the first tranche payment to the final quarter of the year prior to the grant being due.	Reject. It is not possible to bring forward the review without draft year-end accounts. To do so, would breach the PFM. Proposed longer-term process above.		
A2 Introduce a consistent, structured agenda for meetings with ALBs that covers financial and operational performance specifically linked to the respective strategies.	Accept. Structured agenda currently being developed for use as of Q1 for all partnership meetings.	Q1 2023	Group Director, Economy

RECOMMENDATIONS NOT ACCEPTED

Recommendations	Reason for Rejection
Liaise with each ALB and encourage development of longer-term business plans with stretched targets that link to the Arts and Heritage Strategies.	The current model used is an overarching multi-year longer-term strategic plan (3-5 years) with an associated annual delivery plan, linked to the MEDTSC Delivery Plan and Arts and Heritage Strategies. This is considered as adequate, whilst at the same time appearing to be consistent with the apparent aim of the recommendation.
Bring forward the grant appraisal in respect of the first tranche payment to the final quarter of the year prior to the grant being due.	This would not allow for full consideration of the final year end position reference financials and full year assessment of the Grant Assurance Statement and activity against KPIs. As such the grant appraisal process would be possible to complete in line with the PFM.