



| States Assembly

States Greffe

Andrew McLaughlin
Chief Executive
Government of Jersey

5th August 2025

Dear Andrew,

Arm's Length Bodies, Grants and Subsidies Review

As you will be aware, the Public Accounts Committee (PAC) has agreed to undertake a review of Arm's Length Bodies, Grants and Subsidies which we have previously provided the Terms of Reference to you about.

The PAC is in the process of gathering evidence for its review and I would be grateful if you could provide a response to the following initial questions to assist it with its work (please note where C&AG report is used in these questions, it is relating to the 2024 C&AG report 'Oversight of Arm's Length Bodies':

1. Please can you provide us with all Memorandums of Understanding that exist between Government and Arm's Length Bodies (ALB's). Please also share any drafts or changes that planned or new MOUs that have been put in place.
2. Have any periodic reviews taken place of ALB's since 2020 and can the PAC be provided with the outcomes of these reviews?
 - a. We note from the Executive Response to the C&AG report (please see appendix one of this letter) that recommendation two was agreed in principle subject to a proportionate approach being developed for inclusion within the Public Finances Manual. Please can you confirm if this approach has been agreed and implemented and provide details as to how it is expected to operate?
 - b. What reviews are planned to be undertaken by Accountable Officers in relation to the ALB's that operate within their remit as a result of this approach?
3. Can you provide the PAC with the remuneration framework for senior executives and chief executives of States established delivery entities and States established independent bodies and officer holders which was noted as already being in place in the Executive Response to the C&AG report?
 - a. What has been the outcome of the States Employment Board commissioned work in relation to the pay and terms and conditions of Directors and Non-Executive Directors of ALB's? Please can any documentation or reports relating to this be shared with the PAC.
 - b. What oversight, if any, does the Government of Jersey have in relation to the award of bonuses for Senior Executives within the ALB's?
4. How are you ensuring better co-ordination between Government Departments and States Owned Entities for the provision of social housing for purchase, property

management for HCJ staff accommodation, housing policy and land use policy? (Recommendation 10 of the C&AG report).

5. Please can you provide an update on what action has been taken in relation to Recommendation Seven of the C&AG report?
6. What processes do you have in place for agreeing additional funding for ALB's (examples are noted in relation to 'top-up' grants for some ALB's within the 2024 Annual Report and Accounts) and what processes do you have in place to agree funding increases for ALB's?
 - a. Please can you explain how risk is considered when awarding funding increases or additional funding to ALB's, both in respect of service delivery and impact on Government?
 - b. What work, if any, has been undertaken to develop and implement mechanisms to link investment and funding to agreed outcomes measures and performance expected from ALB's? (Recommendation Eight of the C&AG report).
7. Please can you provide an update, where applicable, to the areas of consideration set out in the C&AG Thinkpiece from 2022 'Governance and Accountability of Independent Bodies and Office Holders'. The Executive Response is attached at appendix two and a separate update form has been provided for ease.
8. How are you enforcing the States decision that all organisations in receipt of grant funding over £75,000 are required to report to the States Assembly?
 - a. What are the consequences to organisations that do not provide their reports on time?
 - b. Noting the publication of R.155/2024 which provides details of all accounts published between 2020 and 2022, when is it intended to publish details for 2023 and 2024 as well as the list of organisations that did not submit their reports before the 30th September deadline set out in the PFM?

The PAC would be grateful if you could provide a response to these queries by Tuesday 26th August 2025. It is the intention of the PAC to publish both this letter and the response on the States Assembly website.

Yours sincerely,



Deputy Inna Gardiner
Chair
Public Accounts Committee