

GOVERNANCE, RISK AND COMPLIANCE CHECKLIST FOR ARM'S LENGTH BODIES (ALB)

ALBs GOVERNANCE CHECKLIST – GRANT for

The overriding consideration in any Arm's Length Body arrangement is the achievement of the States' Strategic Priorities in the most effective, efficient and economic manner, ensuring the imposition of robust controls over governance including probity and regularity in the use of public funds, as well as the tracking of the Island Outcome Indicators, which measure progress towards Sustainable Wellbeing goals.

Accountable Officers of sponsoring departments can elect to treat any grant receiving body as an Arm's Length Body and apply the stricter requirements of the Public Finance Manual even if the body does not meet the full definition of an Arm's Length Body.

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PART 1 - Body Governance and Controls

As a Sector Lead / Relationship Manager please complete the following as fully as possible and where a control is not in place, please set out the plans to resolve it.

1.1. Internal Controls	Y/N	Comments	No Material Change from Date
1. Is there an up-to-date Grant Agreement signed and in place between the department and the ALB involving funding over £75 000 per annum?			
2. Can your ALB confirm that the following policies are in place and whether they align with GOJ policy: <ul style="list-style-type: none"> • HR Policy • Health & Safety Policy • Anti-bribery/Corruption Policy • Anti -fraud Policy • Conflicts of Interest Policy • ESG Policy • Customer Feedback Policy • Access/ Storage of Electronic Information Policy • Risk Policy including the Risk Register • Gifts and Hospitality Policy including Register • Safeguarding Policy (where relevant); and • Whether Local Regulations and Legislation are adhered to 			
3. Are there arrangements in place to ensure that expected ethical standards have been met in line with the abovementioned policies and any other relevant documents (for example Codes of Conduct)?			

4. Are financial and objective performance reporting undertaken regularly – if so – who to?		<i>Explain what happens monthly, annually, and quarterly. Who has responsibility and accountability?</i>	
5. Are annual reviews of the internal financial controls being carried out?		<i>How is this review conducted? How and where is it documented? By whom? What changes were made following the last review?</i>	
6. Does the ALB have a documented approach to holding reserves? Have you seen evidence of the current level of reserves? (Please note that these are not the same as Unspent Grant Amounts)		<i>Provide details.</i>	
1.2. Managing Risk	Y/N	Comments	No Material Change from Date
7. Is a risk register maintained? Are risks reported to the Board quarterly? And any risks mitigated and monitored within the ALB? Are risks escalated to GOJ as specified in the Grant Agreement?		<i>Insert latest risk register summary with evidence of mitigations.</i>	
8. Confirm that the ALB's insurance documents and cover match the levels specified in the contract?		<i>Please enclose evidence of Employers Liability Insurance, Public Liability Insurance, Product / Service Specific Insurance, General Insurance. If not, why not?</i>	
9. Where this is specified in the Grant Agreement, has the ALB sought Government agreement before borrowing money?		<i>Provide the details of any borrowing.</i>	
10. Confirm if any other departments are spending money with this same ALB?		<i>If yes, please list.</i>	
11. Do ALB staff members have the necessary knowledge to implement Data Protection Legislation compliant processes?		<i>Summarise mandatory data protection training that staff have undertaken. Explain company awareness of Data Protection Impact Assessments, insert Jersey Office of the Information Commissioner registration, etc.</i>	
12. What policies are in place to manage the ALB's cyber security risk?		<i>Insert policy/procedures and/or copy of Cyber Essentials Certification.</i>	

Does the ALB hold cyber essentials as a minimum level of control? Do staff members receive regular training on cyber security and data security, in particular?		<i>If yes, please list the training as well as the dates and frequencies of the training. If no, why not?</i>	
13. Have any concerns raised by Scrutiny been addressed in the quarterly reports from your ALB's?		<i>If yes, please provide the reason for your involvement with the Scrutiny Panel, dates, and details of your response.</i>	

1.3. An Effective Board	Y/N	Comments	No Material Change from Date
14. How is the ALB structured and who are the direct beneficiaries?		<i>Provide details.</i>	
15. Are the board members sufficiently skilled to oversee the running and performance of the ALBs and deliver its objectives? If you have any concerns about the board members' performance, are they escalated and mitigated?		<i>Provide most recent evidence.</i>	
16. Are there arrangements to ensure that the Accountable Officer does not sit on the Board of the ALB?			
17. Does the Board have appropriate mechanisms to review and address the CEO/executive performance and/or that of the ALB at least annually?		<i>Provide evidence</i>	
18. Does the Board have a formal process for setting and overseeing remunerations and expenses allowances?		<i>Explain the process.</i>	
19. Has the Board implemented the C&AG recommendations (R6. R7.) as outlined in the Remuneration of Board Members report (October 2019)? Report-Remuneration-of-Board-Members-24.10.2019.pdf (jerseyauditoffice.je)		<i>Provide details and Insert latest Board membership (including date of appointment, renewal dates).</i>	

1.4. Business Plan and Performance Review	Y/N	Comments	No Material Change from Date
20. Have you received and reviewed the ALB's Business Plan for the current or next year?		<i>Insert a copy of the draft or final approved business plan.</i>	
21. Is the ALB meeting measurable outputs, outcomes, and any other success criteria?		<i>Provide detail. Performance reporting must be made against clear targets and KPIs.</i>	
22. Have you completed the independent appraisal against the Business Plan at least quarterly? Is the ALB performing in line with expectations?		<i>Provide detail.</i>	

PART 2 - Financial Controls

As a Policy Officer, please complete the following as fully as possible and where a control is not in place, set out a plan to resolve.

Questions related to financial policies and procedures, performance reporting and annual reviews of internal controls are included in page 3, section 1.1. Internal Controls, Part 1 -Body Governance and Controls.

2.1. Expenditure	Y/N	Comments	No Material Change from Date
23. Does the ALB have a scheme of delegation listing persons who are approved to carry out financial transactions, for example raise orders and make payments, and the amounts they are allowed to spend?		<i>Insert the ALB's current scheme of delegation or similar record and confirm:</i> <ul style="list-style-type: none"> ✓ <i>How this is approved and kept up to date;</i> ✓ <i>Banking and online purchasing permissions reflect the scheme of delegation.</i> 	
24. How is access to online banking and ordering controlled?		<i>Insert the processes for managing access to online functions e.g., good password management, documented approval that</i>	

		<i>staff can have access, prompt removal of access when people leave.</i>	
25. Does the ALB have a formal tendering procedure for procurements of products or services over a particular value?		<i>Insert details of the procedures in place, for example thresholds for obtaining multiple quotations or carrying out a public tendering exercise?</i>	
26. Is there segregation of duties between individuals approving orders and those checking goods and services received and arranging payment?		<i>Please explain how the body prevents one individual from raising an order, checking goods and services received and approving payment.</i>	
27. Does the ALB's document retention schedule meet the requirements under clause 12(c) of the Grant Agreement?		<i>Provide evidence of this and its implementation.</i>	
28. Are the Government's Significant Assets, as listed in the Grant Agreement, reviewed regularly? Are there arrangements in place to ensure GOJ Significant Assets are maintained and safeguarded in accordance with the Grant Agreement?		<i>Insert any Significant Assets and confirm that you have evidence of these Significant Assets.</i>	

2.2. Income	Y/N	Comments	No Material Change from Date
29. Are there appropriate processes and mechanisms in place for debt recovery and writing off income?		<i>Provide evidence.</i>	
30. Where the ALB receives any income in cash, have you reviewed that the controls are in place to ensure cash income is banked completely and accurately?		<i>This may include spot checks on cash records and paying in slips, checking paying in slips against bank statements to ensure these reconcile and cash is fully accounted for.</i>	

2.3. Accounting and Annual Reporting	Y/N	Comments	No Material Change from Date
31. Is the ALB’s annual reporting compliant with the latest best practice recommendations published by the Office of the Comptroller and Auditor General (C&AG), Good Practice Guide to Annual Reporting (2023)? Jersey Audit Office What actions is the ALB going to undertake to improve its level of reporting in the next 12 months?		<i>Has the body used the Annual Report Self-Assessment tool published by C&AG as at the most recent date? Explain which recommendations are/will be implemented in the next annual report</i>	
32. Does the body produce an accountability report? Does the report exhibit best practice as stated in the latest Office of the Comptroller and Auditor General (C&AG), Good Practice Guide to Annual Reporting (2023)?		<i>Insert latest accountability report. Explain which elements of best practice are/will be implemented in the next accountability report</i>	

PART 3 - Staff

As a Policy Officer, please complete the following as fully as possible.

The question about ALB’s Human Resources Policy is in page 3, section 1.1. Internal Controls, Part 1 -Body Governance and Controls.

3.1. Staff	Y/N	Comments	No Material Change from Date
33. Do you have regular oversight of the number of vacancies within the ALB? And the breakdown of these vacancies?			

34. Is there a contingent labour approach using agency or bank staff, and how value for money is ensured?	<i>See under “Expenditure” in the Public Finances Manual – ‘Achieving Value for Money’ for further guidance</i>	
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3.2. Safeguarding	Y/N	Comments	No Material Change from Date
35. Are you satisfied that where the body has any involvement with children and or vulnerable adults that appropriate safeguarding policies and procedures have been adopted and that staff are appropriately vetted and trained in respect to safeguarding, and that designated safeguarding lead(s) have been appointed?		<p><i>Evidence – named safeguarding lead, embed copies of policies and procedures here.</i></p> <p><i>Guidance on safeguarding (including procedures and the reporting of concerns) can be found by visiting safeguarding.je or by contacting the Safeguarding Partnership Board and Compliance where relevant with the Children and Young People (Jersey) Law 2022.</i></p>	

Confirmation and Sign-Off

To be completed by the Sector Lead / Relationship Manager of the ALB's Sponsoring Department to state that this document (Parts 1-3) is a true reflection of the governance and control processes that are in place in the body.

ALB's Sponsoring Department:

Name of the ALB:

Signed: Date:

Name:

Capacity:

To be completed by a representative of the ALB to confirm that they agree with the information noted above, and that there are no material risks declared in this checklist and if any material risks have not been presented, the Government of Jersey reserves the right to reduce or suspend the Grant.

Name of the ALB:

Signed: Date:

Name:

Capacity:

Document Control Table

Version	Date	Author(s) & Role(s)	Changes	Approved by
V1	17/04/2024	Commercial Advisory Team	Multiple in new consolidated checklist	ALB Working Group