

Press Release

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POLICY COMMITTEE: Audit Report on States Works

Earlier this year the Policy Committee agreed to continue the work necessary to produce the States of Alderney's first strategic plan. That work had started in 2012 and is progressing.

One area of concern to many States Members has been the reputation and performance of States Works. As part of the strategic review, Roy Burke, Chief Executive of the States of Alderney, recommended a root and branch review of the operation of States Works. Over a period of a number of weeks, the reviewer, Stephen Taylor, a former Director at the UK Audit Commission, interviewed a range of staff across the organisation and observed many States Works staff on duty. Mr Taylor was able to offer an experienced, independent and impartial view of what he saw. He was given access to those records which were relevant to his work and he also interviewed a range of people on Alderney and took their views into account.

The aim of the audit was to review the management and operation of States Works functions and make recommendations for improvement to the Chief Executive. This included both structures and processes. The result is that Mr Taylor is of the opinion that controls are weak and/or there is significant non-compliance which leaves systems open to error or abuse. In his opinion the controls and assurance were unacceptable.

The audit covered all aspects of States Works including:

- Management
- Waste Management
- Agriculture
- Sewage
- Workshops, and
- Projects and maintenance.

Mr Taylor made 57 recommendations, all of which have been accepted by the Executive Management Team and have been shared with States Members.

Roy Burke, Chief Executive of the States of Alderney said: "I am grateful to Mr Taylor for the work he has done for us. The absence of an internal audit function in our organisation leaves me and States Members exposed and this is the first time that we have been able to investigate properly what is going on in the biggest part of our organisation. For many the results come as no surprise but they have been documented and the outcome will be a significant change to the way we work. I am sure staff in States Works will welcome the report.

“There has been very little investment in the public sector in Alderney for a very long time. There has been little or no resources put toward the development of capability or capacity of the administration and as a result the organisation has stagnated for many years. In such circumstances it is inevitable that unusual practices become the norm and unless management react positively these practices become embedded. That is what I observed and what has happened in Alderney over many years.

“Since 2010 this has started to be reversed. Having considered capability of key members of staff, and reviewing personal development and learning we initiated a programme of personal development for key personnel which included: business planning, risk management, finance for non financial managers, business case preparation, change management, health and safety, and more recently a programme to develop the first strategic plan for Alderney. States Members have been included in certain aspects of this development programme.

“Despite this it remains clear to me that that the States of Alderney does not have well developed corporate governance structures which give the States Members adequate assurance that control measures are in place in key areas of our administration. In some places those controls are simply non-existent. While the finance function is audited annually, and regularly meets the required standards of control and propriety, the same cannot be said for other areas.

“Having delivered the first business plan for Alderney at the beginning of 2012 it was clear that there was a more deep rooted problem. We therefore decided to undertake some work which would result in a programme of organisational and strategic development, engaging with Stephen Taylor to undertake a scoping exercise covering all areas of activity managed by the States. This has resulted in the strategic plan proposal, which was accepted by States Members and ultimately the work we are currently doing on economic development. The audit of States Works was considered crucial to the development of a meaningful service delivery plan, particularly in the light of the public perception of States Works.

“We now have a piece of work which gives us clear direction for the future. While there are many discussions to be had, it seems inevitable to me that we need to start again with our public works department, starting at the functional level and considering all levels up to and including management. And I include myself in that. There are some serious questions asked by Stephen’s report which cannot be answered by a minor adjustment. I think this needs major surgery and a whole new approach to the delivery of public services.

“The report will make uncomfortable reading for many of us, but we cannot ignore what has been said. Many of us need to have a long hard look at the way we do our jobs and change is inevitable. This report gives us the launch pad to put it right.”

The findings of the report will be published as soon as possible.

Ends

¹ Francis Simonet (Chairman)
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