

Annual Report 2022



March 2023

JACS is an independent, publicly funded non-government incorporated body, recognized in the Jersey Advisory and Conciliation (Jersey) Law 2003 is able to generate income, and is exempt from tax. The responsibilities of the Board Members are set out in the JACS constitution, attached as Appendix 1.

Contents

Page 2	Board members and Employees
Page 3	Introduction by the Chair of JACS Board
Page 5	Our Purpose
Page 6	Performance Report & Analysis
	Director’s Statement
	About JACS
	2022 – Statistics/Numbers for the Year
	Challenges and Risks
Page 13	JACS Strategy
Page 14	Accountability and Governance Report
	Government Performance Framework
	Employees and Remuneration
	Finance Overview
Page 18	Appendix 1 Board Members Responsibilities and JACS Constitution
Page 21	Appendix 2 Service Level Agreement
Page 30	Audited Accounts

The JACS Non-Executive (unpaid) Board

Chair

Donna Abel

Board Members

Hilary Griffin (Deputy Chair)

Lynda Vautier

Jimmy McCormack

Sara Garwood

Chris Mutton

Hannah Gauvin

The JACS Team

Director

Patricia Rowan

Team members

Patricia Weston Advisory and Conciliation Officer

Sharon Timoney Advisory and Conciliation Officer

Ruth De Freitas (Administration and Outreach Support (part-time))

Introduction by JACS Board Chair

The Jersey Advisory and Conciliation Service (JACS) is the independent employment relations service for the island, created by the Jersey Advisory and Conciliation Service (Jersey) Law in March 2003. As JACS embraces it's its 20th year we continue to be passionate about the delivery of the high quality, independent, impartial services which we provide to islanders. We understand how good employee relations are crucial to a functioning economy.

The purpose of JACS is to assist employers, employees, and trade unions to work together for the prosperity of Jersey businesses and the benefit of employees. During 2022 48% of the client contact made was from employees and 35% employers.

2022 was a year of stabilisation and future proofing, but a challenging year. The Board are delighted that additional funding has been secured and that our Governance Framework, risk register, quality board member and succession plan are serving the service well.

Over the past few years, the demands on JACS' services because of the increased amount of legislation in the areas of employment protections and discrimination have intensified with 67 claims relating to discrimination in 2022.

The number of direct contacts is a good measure of the demands placed on Patricia and her team, Sharon, Trish and Ruth. However, we cannot underestimate the growing complexity of the contacts, conciliation and claims which will vary from a simple referral to existing guidance material through to protracted advice and support face to face that is being provided. Conciliation is also taking longer to resolve, for the same reasons of increasing complexity. What might previously have taken 15 or 30 minutes in exchanges is now typically taking 2.5 to 3 hours.

The operating budget has remained largely static in cash terms, forcing the organisation to rely on its reserves. As an arm's length Government body we are delighted that Government approved an additional investment in JACS from 2023 as part of the budget in December 2022, to enable us to enhance our service delivery. JACS continues to demonstrate a cost benefit to the Island and our research indicated that every £1 of investment in JACS leads to a £12 return to the Jersey economy in terms of productivity.

I would like to acknowledge the commitment of all our team, who once again have delivered a great deal in the past 12 months. They continue to contribute to improving the way we all work together to fulfil our purpose and to assist us in continuing to build harmonious relationships between employers and employees, and thereby helping improve the performance and effectiveness of organisations.

2022 Highlights

<u>8,788</u> <u>Client Contacts</u>	<u>84</u> <u>Claims Settled</u>
<u>399</u> <u>Attended training</u>	<u>33</u> <u>Public courses delivered</u>
<u>2</u> <u>Amendments to Employment Law</u>	<u>145,299</u> <u>Website views</u>

I would also like to acknowledge the commitment and dedication of all the voluntary Board Members and the Support of the Social Security Minister, Deputy Judy Martin followed by Deputy Elaine Millar along with their Assistant Ministers, Policy Principals and other member of the Department of Strategic Policy Planning and Performance for their approachability and support.

A handwritten signature in black ink, appearing to read 'Donna'.

Donna Abel
Chairman

Our Purpose

JACS are the employment relations service in Jersey, established to assist employers, employees and trade unions to work together for the prosperity of Jersey business and the benefit of employees.

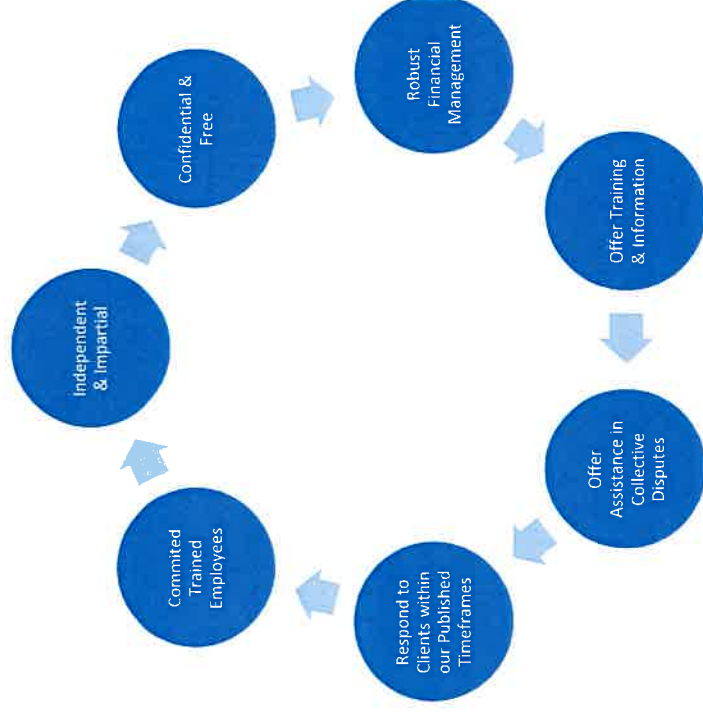
What We Do:

JACS assists in the building of harmonious relationships between employers and employees, both collectively and individually and thereby help improve the performance and effectiveness of organisations.

Strategic Aims for JACS (as set out in the annual SLA and Business Plan) are:

- resolve individual disputes:
- provide impartial information/advice on employment matters:
- provide impartial information/advice on discrimination:
- provide impartial information/advice in respect of employee relations
- improve the understanding of industrial relations:
- provide an Outreach Service:
- offer training on legislation and relevant topics

How we achieve our strategic aims:



As a small team we deliver our services in a full and timely manner which - at times - can be challenging, however by working collaboratively with all clients fairly, honestly and efficiently. Clients contact us directly, we are aware approaching JACS can often be at very difficult and challenging therefore, clients are seeking someone they can trust.

Performance Report

Part 1 – Director’s Report

The start of 2022 brought the introduction of two amendments to the Employment legislation – an increase in annual leave entitlement and the introduction of breaks during the working day. These amendments took effect on 1 January and brought with it a swath of enquiries into the implementation of such changes.

Unlike 2021, Covid-19 was not as upfront and centre as it had been with the return to the workplace firmly established, even though for many this meant adapting to the ‘new normal’. Hybrid working is very much the norm now with working from home, or working more flexible hours than pre-pandemic times. The adjustment of work/life balance for many has been a positive, although it needs to be remembered that not all employees are able to carry out their work anywhere other than their ‘usual’ place of work. There remains the challenge for some employers in adapting their management of hybrid working employees as we have advised on (as well as delivered training sessions) throughout 2022.

The numbers of clients have dropped back to pre-pandemic levels but show a slight increase on 2021, however the figures alone do not represent the full picture of the work of JACS. Complexity of claims along with increased legislation in general means the Team need to be prepared to meet the queries raised and advise as fully as possible.

I would like to thank the Team for all their hard work and diligence in 2022 and this extends to the JACS Board as well. JACS Board willingly give up their time to JACS – despite them being unpaid and continuing to carry out their own work. The Board members bring with them a wealth of skills, talents and insights which fully supports the JACS team, ensuring good governance and delivery of the Service. JACS are very fortunate and privileged to have such a supportive Board – led by our Chair, Donna Abel - who remain accessible and committed to the work of JACS. I offer my sincere thanks to all the Board and the Team for ensuring JACS continues to thrive and fulfils the requirements of the service set down under statute.

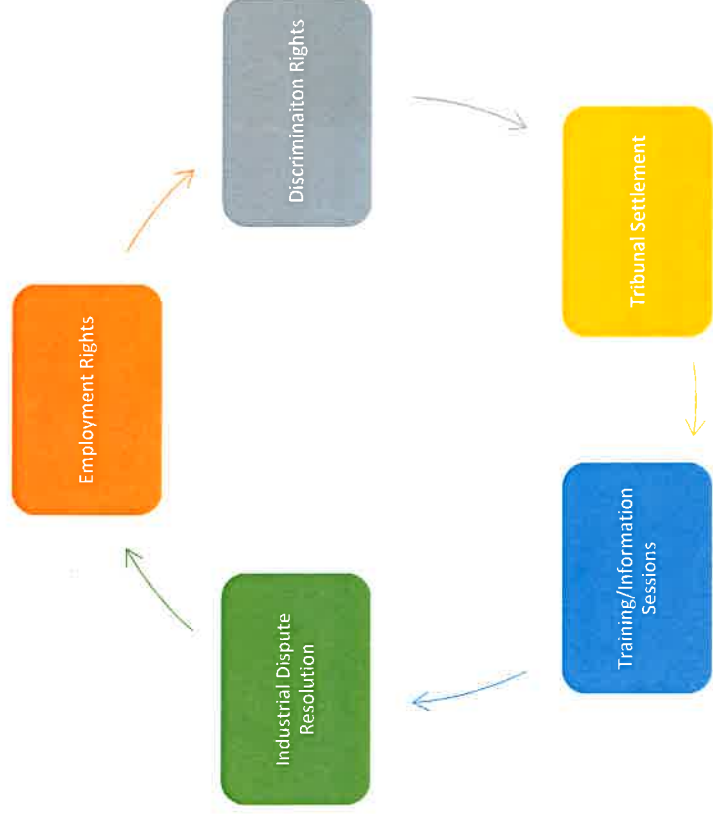
Finally, I wish to express my thanks to the Social Security Ministers in post in 2022 Deputy Judy Martin followed by Deputy Elaine Millar along with their Assistant Ministers, Policy Principals and other member of the Department of Strategic Policy Planning and Performance for their approachability and support in all the work JACS undertakes and I look forward to working further with them in 2023.



Patricia Rowan
Director

11 January 2023

Services - Our Statutory Duties:

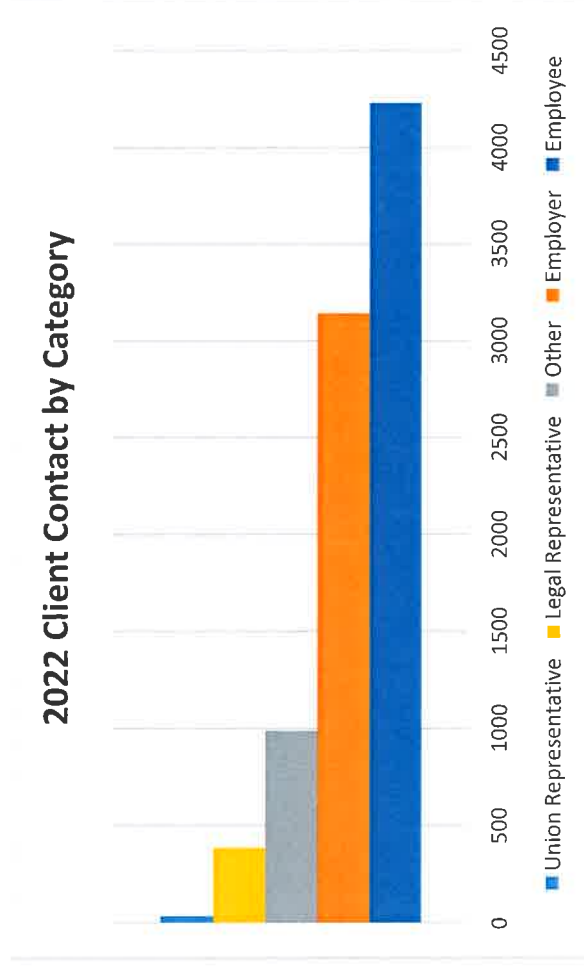


Performance Report 2 – 2022 Statistics/ Numbers for the Year:

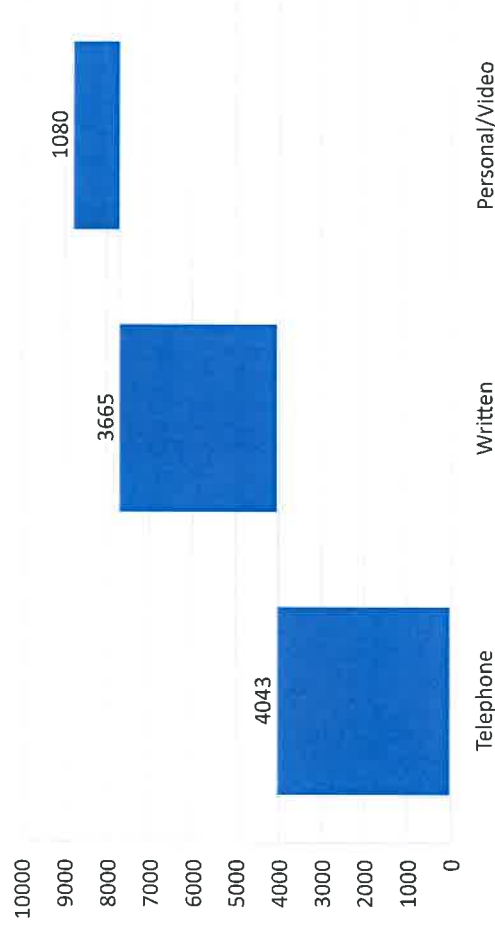
Performance for 2022:

Clients:

The total number of clients who contacted JACS in 2022 was 8788 (an increase of 357 when compared to 2021), with the graphs below showing the breakdown of 'who and how':



How Clients Contacted JACS

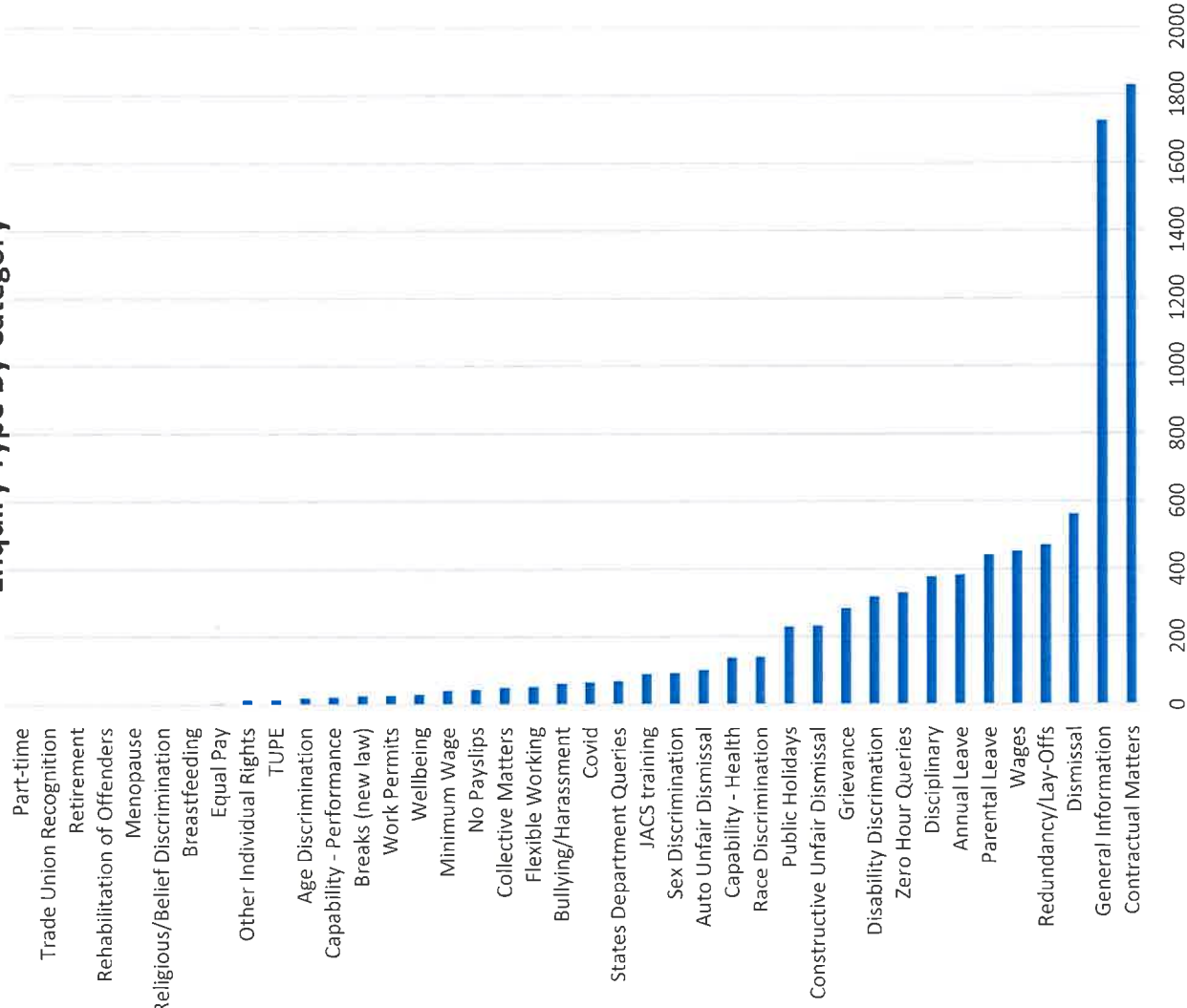


Types of Enquiry:

Each client contact is recorded on the JACS database (this is retained for 2 years plus the current year before being deleted), to enable us to measure the number of clients requiring our services, and also the matters that was most asked for advice on. Following is the breakdown of subject/enquiry type from 2022. The category for 'Contractual Matters' shows the highest number of recorded enquiries. This covers areas like changing of contracts, notice period, training agreements along with retention wages for non-statutory purposes e.g. monies owed to employer for say overpayment of wages, return of employer items upon leaving.

'General Information' – the highest category in 2021 – is the next highest category which covers areas that are not individually categorized. It is disappointing to see an increase in queries around the failure of employers to provide terms of employment (contract) as set down in the legislation – which has now been in place since 2005. However, far more concerning is the number of employees who are reaching out to JACS when they have received a notification advising that Social Security Contributions have not been received. This is often at a time when an employee is either anticipating receiving parental allowance or payment under a medical certificate. For many of these employees the employer has made the deductions from their wages for Social Security and Income Tax, however these have not been passed on to the relevant Government Departments. Whilst in the past JACS may have seen a couple of employees in such a position, 2022 saw a marked increase in the number of enquiries related to this. The disadvantage employees find themselves at when this is brought to their attention cannot be underestimated. This year we have seen Tribunal claims lodged (and won) for these deductions, which although required under statute becomes and unlawful deduction if not passed to the relevant Government department.

Enquiry Type By Category



Enquiry categories can change depending on various factors like new legislation (in 2022 the introduction of a 20 minute' break meant we added such a category), or if we start to see trends coming through. A new trend in 2022 (from around July) was the number of queries in relation to Work Permits. Whilst JACS are not able to advise on work permits (this falls under Customs and Immigration) we are available to discuss employee issues that fall either under the Employment(Jersey) Law 2003 and/or The Discrimination (Jersey) Law 2013. The types of query we receive are around employers changing contracts once employees have arrived on the Island, deducting sums from wages that have not been agreed, acts of discrimination and harassment. Whilst generally employees cannot claim for unfair dismissal until they have been employed for 52 weeks, if the dismissal falls under a statutory breach or the discrimination legislation claims can be lodged for 'auto-unfair' dismissal. JACS have worked closely with Justice and Home Affairs (as well as Jersey Customs and Immigration Service and Customer and Local Services) to

ensure that employees arriving to work in the Island have as much information about their employment rights from first day of working for their employer.

Tribunal Claims:

Conciliation in Employment/Discrimination Disputes

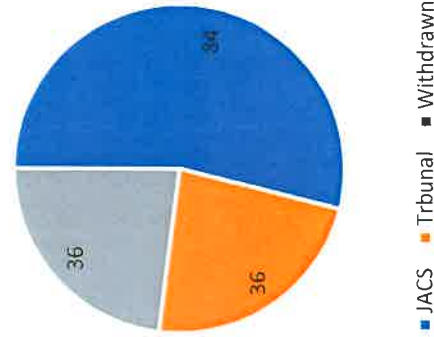
JACS conciliation officers have a duty to attempt to conciliate settlements of disputes where complaints have been or could be made to a court or tribunal under relevant employment protection legislation.

Conciliators offer to assist both parties involved in a dispute to reach a voluntary settlement without the need to go to a formal hearing.

As at 31 December 2022 the Employment and Discrimination Tribunal (JEDT) had forward 158 claims to JACS (the JEDT will have registered more claims in 2022 but JACS are only forwarded the claims when the Tribunal have received the paperwork from both/all parties). Of these claims 67 claims were either partly/fully in respect of discrimination; and of these JACS settled 36 claims – 17 remain ongoing 11 were decided by the Tribunal and 2 were settled between the parties.

The breakdown below relates to Tribunal Claims and conciliation, as a measurement of JACS’ performance in terms of settling claims without the need of a Tribunal Hearing:

Claims Settled in 2022



Carried Forward from previous years: 31

New Claims 2022: 158

Total Active Claims **189**

Of these **189** claims, **156** claims have been resolved, and of the **33** claims in ongoing conciliation (10 of these received in December 2022).

As seen below there had previously been a steady decline in the number of claims being received from the Tribunal, however the number increased in 2022:

2019	225 claims
2020	168 claims
2021	111 claims
2022	158 claims

Percentages of the number claims settled by JACS is:

2019	36%
2020	47%
2021	54%
2022	53%

However, the numbers themselves should not be seen as truly reflective indicators of workload – indeed some claims are settled privately/withdrawn after meeting at JACS. When claims are lodged now it is likely that there will be a greater number of heads of claims such as discrimination being an additional head of claim that may previously have cited unfair dismissal only. Additionally, with discrimination claims it is possible to have a number of Respondents, therefore these multiple heads of claims and/or multi-Respondent claims increase the time needed to handle matters.

Pre-Claim Settlements:

At times employers may wish to mitigate the risk of claims being lodged when employee(s) are leaving employment, it is at this point a request for a pre-claim settlement(s) is made. During 2022 JACS were requested to prepare 86 pre-claim settlement documents, thereby preventing additional claims, (adding these 86 to the 158 lodge the total number of claims could have totalled 244 for the year. The use of pre-claim settlements also provides financial savings on any Hearings the Tribunal may have needed to have held. For a full (1 day) Hearing with a Chair and 2 Side Members sitting the average cost would be around £1,000, therefore the savings on pre-claim can be roughly calculated to be £86k, when combined to the 84 claims settled the savings are around £170k over the last 12 months.

Newsletters and Website:

The JACS website enables anyone to sign up to received our JACS e-newsletters. Such e-newsletters are sent out approximately monthly to advise of any of the JACS training sessions that are available, changes/updates to legislation, general information e.g. Bank and Public holiday dates etc. During 2022 we sent out 20 e-newsletters to 1003 signed up users.

As in previous years the JACS website (www.jacs.org.je) has continued to be very successful (Google Analytics is used to gather this data) with new content added and older content updated or amended in line with legislative changes/best practice During 2022 we had 145,229 views on our website with 63.79% being new sessions. The most popular pages being those related to contractual and non-contractual terms (14,059) with breaks and working hours (2,745) being the most viewed (this is as we would expect with new legislation being introduced from 1 January 2022 around this topic).

In February 2022 the JACS LinkedIn page was set up, which we use to list training sessions, advise of relevant consultations that are available as well as other information. This enables JACS to reach clients who may not have signed up to the e-newsletters.

Training and Information Sessions:

The public training and information sessions JACS continue to deliver via Zoom and tickets sold via Eventbrite (a cost of £25.00 per delegate per session) – the latter having reduced administration time and costs considerably. The sessions still prove to be popular as many employees continue with hybrid working – either from home or even off Island – online sessions have become the ‘new normal’. Throughout 2022 we delivered 33 public sessions to 209 delegates. Additionally, we delivered 8 private information sessions reaching a further 190 delegates.

2022 Overall Challenges and Risks:

In the 2021 Annual Report we advised that the greatest risk to JACS was that of financing, throughout 2022 various briefing meetings have been held with SPPP and Politicians to talk through the funding needs of the service against the expectations of delivery. JACS are very fortunate that the Government Plan approved an increase to the States grant to JACS effective from 1 January 2023 thus alleviating this risk.

During 2022 we did receive 3 complaints against the Service and the Team. These complaints were resolved within a short period of time, but the impact of the complaints hit the team hard as we always strive to do our best to deliver an excellent service. Therefore, as we move forward the biggest risk we face is not about the information/advice we are able to provide but the expectations of some clients that we cover all areas of employment, e.g. health and safety, work permits, licences and data protection. For clients that are seeking advice that crosses into these areas there are sometimes frustration that JACS are not able to provide a 'one-stop-shop' for all things employment and discrimination related, along with frustrations as to legislation itself. In the face of such expectations from some clients there will inevitably be times when they feel we have not been able to assist them – even if re-directed to the correct department elsewhere.

Moving into 2023 we will lose three long term Board Members who will take with them 9 years' worth of intellectual property and knowledge of JACS as well as the time given (freely) to undertake financial reporting and preparation for the annual audit. Their skills will be sorely missed and recruitment will take place early in 2023.

JACS Strategy

Key Performance Indicators for 2022 and 2023

JACS KPIs are set out in the SLA (see page 25 (5.2) – reviewed annually) we have with SPPP and supported with quarterly reporting:

• contact the parties and provide information about the conciliation process together with a named contact and an offer to conciliate – this will be done within 5 working days of receiving the documentation/request.	Achieved – all claims received knew who their conciliation officer was within the stated timeframe
• within five working days of receiving directly from an employer or employee, or their named representatives, a claim that a formal complaint could be made to a relevant body and where no settlement has already been reached	Achieved – all claims received knew who their conciliation officer was within the stated timeframe
• take prompt further action as soon as requested by either party or, if no request is received, when it is useful to do so	Achieved – this is part of an ongoing mark of JACS performance
• keep the parties informed about the options open to them and any possible consequences, whilst not expressing an opinion on the merits of a case	Achieved – outcomes are reached due to ongoing contact and dialogue
• seek to promote reinstatement or re-engagement, if the complaint is of unfair dismissal, before any other form of settlement	Partially achieved – it is rarely an option for either party to be able to return to a workplace, particularly when claims have been lodged
• not disclose information, given to a conciliation officer in confidence, to any other party unless required to do so by law	Achieved – this is lynchpin of the work JACS undertake.
• encourage the parties to consider the consequences of proposed settlement terms and to seek further advice if necessary	Achieved as can be seen with the Claims outcomes and Pre-claim Settlements
• encourage the parties to record the terms of a settlement in writing as quickly as possible	Achieved – JACS will draft the relevant paperwork in order to protect the parties once settlement has been reached.

KPIs form the framework for JACS strategy, and in order to deliver these our focus is always to deliver a fair, impartial and independent service that provides advice to those contacting us on Employment and Discrimination legislation in Jersey.

In order to ensure that we deliver the service the Island expects from us we will:

- recruit three new Board Members with skills that support the Service
- work closely with those developing new legislation;

- direct parties to any Employment Forum consultations to ensure their views are put forward when developing new legislation
- communicate revisions/new legislation as soon as it becomes available to enable clients to understand such changes
- deliver relevant training sessions to reflect the legislation and/or best practice
- provide guidance notes/information/pro-forma documents via our website.

Accountability & Governance Report

Having been appointed as the Director of JACS in 2014 I am responsible for managing the organisation's financial, physical and human resources enabling JACS to achieve its mission, business plan and the expectations of the stakeholder (SPPP) under the SLA.

The work of JACS is supported by the JACS Board, who oversee the Governance of JACS and sat 6 times in 2022.

The Director maintains good financial systems – as agreed with the Board – and provides accurate and timely management information to the Board as set out in the JACS Constitution and in-line with the SLA with SPPP.

There are also sub-committees of the Board covering:

- Audit
- Risk and Compliance
- Remuneration
- Financial Reporting/Expenditure

Each sub-committee undertakes reviews, following which recommendations are taken to the full Board for approval. All meetings are fully documented.

The Board remained unchanged in 2022 (see page 2) however the challenge for 2023 is the replacement of three long serving members whose tenure is up having served 9 years with JACS. This recruitment process will commence in the second quarter of 2023 with the aim of recruiting individuals with the skills to support the work of JACS similar to those who we are losing.

All Board members complete a declaration of interests and this is re-visited at the start of each Board meeting to ensure any changes in circumstances are recorded. None of the current Board members have any conflict of interest or hold any posts that may impact their work with JACS.

The Director along with the Board Audit Committee liaise with the external auditors to ensure the accounts are presented to the Minister before the end of April each year. In 2022 Alex Picot undertook the JACS audit, commencing the work in early February, and completing it by the end of March for presentation to the Board.

Appendix 1 shows the Constitution of JACS and Board responsibilities. (page 18)

Data Protection:

The personal data JACS holds on clients contacting the service is very limited and we have clear statements around how this data will be used and destroyed. During 2022 no incidents related to personal data were reported to the Office of the Information Commissioner.

Oversight of Effectiveness

With the support of the JACS Board we review the work of the Service and the effectiveness of internal controls which are reviewed and adapted/strengthened annually. During 2022 no significant weaknesses were identified in JACS internal controls, although some minor strengthening of existing practices was put in place. Based on the review process I can confirm that I believe the current practices and arrangements JACS have in place for governance and controls is effective and I am satisfied with such arrangements.

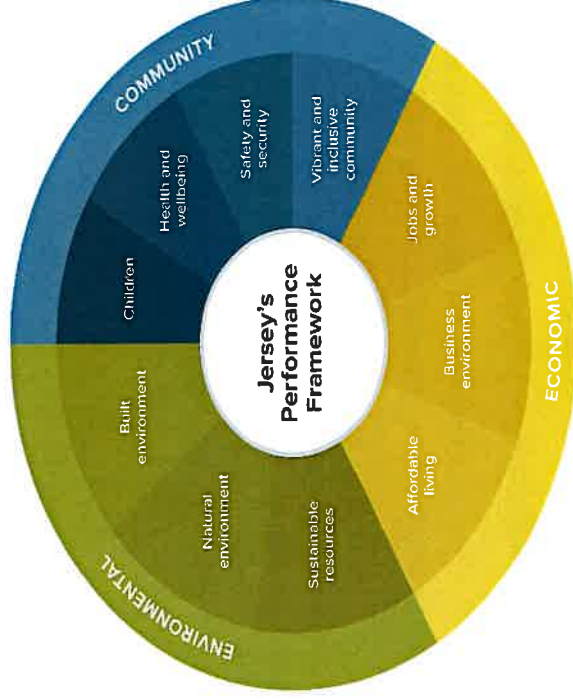
What is sustainable wellbeing?

Sustainable wellbeing is a new way of measuring the progress of a society. In the past, countries have focused on measuring Gross Domestic Product (GDP) and Gross Value Added (GVA) to monitor how well their country is performing.

Sustainable wellbeing is a more holistic concept and uses different tools to measure how well society is doing across the key areas that are contributing to human wellbeing. It focuses on long-term progress rather than short-term intervention, and measures:

- Community wellbeing - the quality of people's lives
- Environmental wellbeing – the quality of the natural world around us
- Economic wellbeing – how well the economy is performing

The Government of Jersey has made a strong commitment to sustainable wellbeing. The Public Finances (Jersey) Law 2019 requires the Council of Ministers to take into account the sustainable wellbeing of current and future generations when they develop the Government Plan. This change means that sustainable wellbeing is now central to the way Government makes decisions and designs public services.



(<https://www.gov.je/government/planningperformance/governmentperformance/pages/governmentperformance/ormancemeasures.aspx>)

What Contribution Does JACS Make to the Governments Performance Framework?

As an independent but arms-length organisation in receipt of a grant from the Government, JACS have a duty to contribute to the Performance Framework and provide information in achieving sustainable wellbeing.

As a statutory body JACS provides information to Government (in 2022 we have worked with the Immigration team in respect of work permits). Most of our work falls in the 'economic' category (above) around business environment along with jobs and growth. From a 'community' perspective we deliver training sessions on wellbeing as well as discrimination and inclusion, we also offer online video meetings with clients who feel unable to attend in person due to health issues. When it comes to 'environmental' as a team we are acutely mindful of resources as we have continued to reduce our reliance on printed materials, and recycle as many different materials as possible. We have also reduced the temperature in the offices during the winter months by a couple of degrees so we are not using as much heating as we previously have done.

Employee and Remuneration

The Board Remuneration Committee – the Director is not included – sit in quarter 4 to discuss remuneration for the JACS team effective 1 January the following year. Consideration is given to market forces, along with the performance and objectives set under quarterly appraisals and the overall JACS performance.

The 2023 salary costs came in at £293,853 this is a gross figure and includes Social Security and the cost of 16% JACS contribute to the employee pension scheme (this falls under the States as JACS are an arms-length organisation), as well as additional non-contractual benefits in relation to health and car allowances.

The 2022 rates of pay for the JACS team range from:

£15.41 to £53.61 per hour.

As a small team it is essential that consideration is given to both their development and health - we were very fortunate in that across the team only 32 days of absence was recorded for the whole year. This is an increase from 2021 however it was not until 2022 the 3 team members contracted Covid for the first time. Mindful of welfare for the Team during March 2022 Mind Jersey were invited to deliver a session on Wellbeing, which was put in place by the Board to assist with the wellbeing of the team itself with some 'take-away' exercises to maintain both inside and outside of work.

No independent contractors were used during 2022, and the non-executive Board members do not receive any remuneration for the work they undertake for JACS.

The Director incurred travel and accommodation costs during 2022 on two occasions:

1. Guernsey to meet with colleagues from the Employment services of Guernsey and the Isle of Man (this is an annual meeting which will take place in Isle of Man in 2023);
2. Nottingham for the Acas Collective Conciliators Conference (again this is an annual meeting held at one of the Acas offices; it is vital to maintain these links as if arbitrators are needed in Jersey for disputes it is Acas that will provide a list of names to JACS).

JACS Finances:

Grant

As per the revised Service Level Agreement (SLA) 2022 between JACS and the Department of Strategic Policy, Planning and Performance (SPPP), an annual grant of £354,900 (paid quarterly) was received.

Budget

Prior to the annual SLA being revised, a budget was prepared (agreed with the Board) which predicted an overspend against Grant of £77,328, which would need funds to be taken from the JACS reserves.

Throughout 2022 savings were made across the organisation with further reductions to stationary (as we make further inroads into going paperless), almost zero postage, as well as additional savings around utilities, IT and repairs. Training income came in slightly lower than had been budgeted for at £4911.52 therefore as of 31 December 2022 the underspend against budget was £7,704.

The audited accounts are included at the end of this Report.



Patricia Rowan
Director

Appendix 1

Constitution of the Board of JACS and commitment of the Board and the Director

1. The relationship between the Director of JACS and the Board

1.1 The Board shall (along with the Jersey Appointments Commission) appoint a Director of JACS. The Director shall be responsible for the performance by JACS of its functions in accordance with the provisions of the JACS law and shall hold office in accordance with a contract of employment the terms of which shall be agreed by the Board (including for the avoidance of doubt and amendments thereof)

1.2 The Board shall consist of persons who are interested in and knowledgeable of matters involving industrial relations and employment issues. It is the intention of the Board to support the Director and promote the work of JACS. The relationship of the members of the Board, and of the Board and the Director will be conducted with respect, confidence and confidentiality.

1.3 The Director will be required to attend meetings at the request of the Board. Reasonable notice of such meetings shall be given to the Director. At those meetings the Director is required to provide the following reports:

- A written report dealing with the functional activities of JACS in the previous quarter. Such report to include (without limitation) details on:
 - the JACS workload and issues arising therefrom
 - disputes currently under arbitration or conciliation involving JACS
 - potential complaints against JACS or its employees
 - advertising and marketing issues
 - staff issues
- A written report setting out the financial activity of JACS during the previous quarter.
- A verbal report covering all matters which ought reasonably to be brought to the attention of the Board for discussion, advice or which are of general interest to the work of JACS.

1.4 The Board may require the Director to report directly to the Chair (or Deputy Chair as the case maybe) of the Board on a particular matter. The Director may approach the Chair or any member of the Board for advice concerning the function, role or administration of JACS at any time. Such advice or conversation shall be reported to the Board at its next meeting.

1.5 The Board may meet without the attendance of the Director. On reasonable notice by the Chair of JACS a room shall be made available for a meeting of the Board at the offices of JACS.

2. The quorum required at meetings of the Board

ALL meetings of the Board shall only be valid if a quorum is present. A quorum shall be 3 members, one of whom shall be the Chair or Deputy Chair. Any meeting held and not properly constituted shall be deemed to be a conversation as referred to above and reported in full at the next duly constituted meeting of the Board for approval and ratification.

3. Minutes of meetings of the Board

3.1 The proceedings of all duly constituted meetings of the Board shall be minuted by the Director, or in the event that the Director shall not be in attendance, the minutes shall be made by any member of the Board in attendance at that meeting. The minutes shall be as complete as possible and shall include for reference all items or documents inspected and discussed by the Board at that meeting.

- All minutes shall be approved by the Board at the next meeting and kept in a suitable binder in a secure location.
- For the avoidance of doubt the minutes belong to the Board and not to JACS or any employee thereof. Any member of the Board shall have access to the minutes at any time.
- No unauthorised copies of the minutes of a meeting may be made, kept or distributed by a member of the Board without the written consent of the Chair.

3.2 In the event that a member of the Board cannot attend a meeting they may vote on a particular matter by proxy providing the Chair agrees that the subject matter is suitable for voting upon in that manner. A proxy vote shall be evidenced in writing (which includes email – to the Chair) Alternatively a member may vote on a particular matter by telephone call to the Chair who shall duly note in writing the vote so cast. All proxy votes shall be specifically noted in the minutes of the meeting. A member voting by proxy shall not be counted towards the quorum of a meeting.

3.3 Dealings with the media or other third parties

- All dealings with the media concerning the business or activities of JACS shall be conducted by the Chair and/or the Director of JACS or any person authorized by the Chair or Director of JACS.

3.4 Disclosure of information to third parties

- It is anticipated that members of the Board shall readily disclose their membership of JACS in an open manner and any disclosure of information regarding the work of JACS by a board member, shall be made bearing in mind the confidential nature of the work of JACS but in a positive and supportive manner of its services and the work of its employees.

4. The Collective Responsibility of Board Members

Board members are expected to express their views freely on any matters pertaining to the role and responsibilities of JACS at Board Meetings. Should an issue be contentious, such that the Chair agrees that the matter must be determined by a vote of the Board Members, a simple majority will be sufficient to determine the outcome. In the event of tied vote, the Chair or the Deputy Chair, as the case may be, shall have a casting vote.

Any matter, the outcome of which is decided by such means, shall be taken as the decision of the Board as a whole. Board members who have voted against the outcome and who are unable to support the decision of the Board shall not express contrary views publicly and have the option to resign from the Board.

Appendix 2

Jersey Advisory and Conciliation Service

Service Level Agreement (SLA) between Department for Strategic Policy, Planning and Performance (SPPP) and Jersey Advisory and Conciliation Service (JACS)

Table of Contents	2
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1. Agreement Overview	22
2. Goals & Objectives	22
3. Stakeholders	23
4. Periodic Review	23
5. Service Agreement	23
5.1. Service Scope	23
5.2. Customer Requirements	24
5.3. Service Provider Requirements	25
5.4. Service Assumptions	26
6. Service Management	26
6.1. Service Availability	26
6.2. Service Requests and Standards	26
7. Annual Report	29
8. Budgeting, financial recording and control and annual audit	29

JACS is an independent, publicly funded non-government incorporated body, recognized in the Jersey Advisory and Conciliation (Jersey) Law 2003 as able to generate income, and exempt from tax

Agreement Overview

This Agreement represents a Service Level Agreement (“SLA” or “Agreement”) between *Jersey Advisory and Conciliation Service (JACS)*, Strategic Policy, Planning and Performance (SPPP) and Social Security Minister for the provision of services required by the Department to support and sustain good employment relations in Jersey including the provision of an outreach advisory service, and relating to the payment of a grant to JACS for the provision of these services.

This Agreement remains valid until superseded by a revised agreement mutually endorsed by the stakeholders (**see page 4**)

This Agreement outlines the parameters of all services covered as they are mutually understood by the primary stakeholders

1. Goals & Objectives

The **purpose** of this Agreement is to ensure that the proper elements and commitments are in place to provide consistent service support and delivery to employees, employers, trade unions and business associations in respect of employment relations and discrimination advice and guidance (including such

guidance given as part of the outreach advisory service) and dispute resolution, in accordance with the requirements of the Jersey Advisory and Conciliation (Jersey) Law 2003 ('JACS Law').

The **objectives** of this Agreement are to:

- Provide clear reference to service ownership, accountability, roles and/or responsibilities.
- Present a clear, concise and measurable description of service provision to the customer.
- Match perceptions of expected service provision with actual service support and delivery.
- Support an efficient, economic, financial and sustainable service.
- Establish the rights and fulfil obligations of both parties in regard to the payment of an annual grant.

In accordance with the States of Jersey Public Finances Manual the SLA must document a case as to how the provision of funds to JACS will contribute to the strategic aims and objectives of the States of Jersey.

'The Government Plan 2023-2026 sets out the income and expenditure that will support the delivery of the Common Strategic Policy and Ministerial Plans in 2023. The Common Strategic Policy, Ministerial Plans and Government Plan reflect the issues that are most important to Islanders as expressed during the election, were informed by data and evidence, and demonstrate our focus on the economic, social, cultural and environmental wellbeing of Islanders both now and in the future.'

(<https://www.gov.je/government/planningperformance/governmentprogramme/governmentplan/pa ges/governmentplan2023to2026.aspx>)

Detailed actions that flow from the strategic priorities will be outlined in other documents, which, alongside the Common Strategic Policy, make up the strategic framework. These are:

- Government Plan 2023-2026
- Island Plan 2021–2030
- Future Jersey – the Island's 20-year community vision.

As outlined in the JACS Business Plan 2022 – 2024, the strategic objectives are:

- Support the operation of fair and effective workplaces and a committed workforce.
- Support improvements in the performance and effectiveness of organisations through improved employment relations and effective dispute resolution; assist all organisations to manage their employment relations effectively, irrespective of organisation size.
- Inform public policy and debate on the economic and social value of good employment relations.
- Develop further our capability and ensure exceptional service is maintained at all times.

JACS provides independent expert advice in employment and discrimination matters with the requirement for the service having been established in the Jersey Advisory and Conciliation (Jersey) Law 2003. It would neither be appropriately independent nor be cost-effective for the Customer to provide this advice service itself, therefore an exemption has been approved from tendering for this service.

2. Stakeholders

The following Service Provider(s) and Customer(s) will be used as the basis of the Agreement and represent the **primary stakeholders** associated with this SLA:

Service Provider(s): JACS ("Provider")

Customer(s): SPPP on behalf of employees, employers, trade unions and business associations (“Customer”) within Jersey.

3. Periodic Review

This Agreement is valid from the **Effective Date** outlined herein and is valid until further notice. This Agreement should be reviewed at a minimum once per fiscal year, normally by 30th November; however, in lieu of a review during any period specified, the current Agreement will remain in effect.

The **Director of JACS** is responsible for facilitating regular reviews of this document. Contents of this document may be amended as required, provided mutual agreement is obtained from the primary stakeholders and communicated to all affected parties. The Director will incorporate all subsequent revisions and obtain mutual agreements/approvals as required.

4. Service Agreement

The following detailed service parameters are the responsibility of the Service Provider in the ongoing support of this Agreement.

4.1 Service Scope

The following Services are covered by this Agreement;

- Provision of advice and guidance on good employment relations practice - including discrimination in employment - in an independent, impartial and professional manner, acting with integrity at all times.
- Improving the understanding of employment relations and provide training in employment relations best practice.
- Prevention and resolution of industrial (collective) disputes.
- Facilitating the availability of arbitration as requested’
- Resolution of individual disputes over employment and discrimination rights.
- Commenting on proposed or draft employment and discrimination legislation as requested by SPPP.
- Production of an Annual Report on activity.
- Budgeting, financial recording and control and annual audit.
- Provide an outreach advisory service typically for small (10 or less employees) businesses with the intention of early intervention for the prevention of employment disputes.
- Offering advice and support in an independent, impartial and professional manner.
- Providing advice and support relating to essential employment documentation which includes contracts, pay advice slips, policies and procedures.
- Providing practical guidance with the assistance of appropriate materials, including advisory booklets, handbooks, templates and model agreements, JACS will make no charge for these materials

This SLA is subject to the provisions of Jersey Advisory and Conciliation (Jersey) Law 2003 (‘JACS Law’) and legislation relevant to good governance in the public sector, including:

- Data Protection (Jersey) Law 2018;
- Public Records (Jersey) Law 2002;
- Public Finances (Jersey) Law 2019.

Amendments to any relevant legislation will take precedence over any part of the Agreement.

5.1 Customer Requirements

Customer responsibilities and/or requirements in support of this Agreement include:

- The Customer will pay an annual revenue grant to the Service Provider, as agreed by the stakeholders. The grant awarded to JACS for the year 2022 was £354,900. This contributes towards the costs of services outlined in the SLA of 30 November 2021.
- Discussions have taken place to agree an increase in the grant, including making up for inflationary increases and providing for greater flexibility in the delivery of JACS' services. The increase in the grant will be debated by the States Assembly at its December 2022 meeting.
- The grant will be paid in four quarterly payments:
 1. 1 January – 31 March 2023
 2. 1 April – 30 June 2023
 3. 1 July – 30 September 2023
 4. 1 October – 31 December 2023
- The Customer will review the grant awarded for effectiveness in achieving the agreed outcomes.
- The Customer will underwrite the statutory and contractual costs of the Service Provider either in the event of its closure, or in exceptional emergency situations (including costs associated with staff in the event of prolonged cover being needed due to sickness) in accordance with the provisions of paragraph 12 (2) (a) of the Schedule to the JACS Law.
- The Customer will ensure the reasonable availability of customer representative(s) when resolving a service-related incident or request.
- The Customer requires that the services of the Service Provider are in accordance with the States strategic objectives (supporting employers and employees to work together for the mutual benefit and economy of Jersey).
- Where reasonably possible, on request from the Service Provider, the Customer will inform employers (via databases held by the Customer) of services available from the Service Provider to assist employers in complying with the Employment and Discrimination Laws.

5.2 Service Provider Requirements

Service Provider responsibilities (KPIs) and/or requirements in support of this Agreement include:

- Delivering the services set out in 5.1 above and 6 and 7 below.
- Effective organisation management and good corporate governance. This includes adhering to all relevant legislation and applying best practice, for example ensuring a robust complaints policy is publicly available and is complied with.
- Meeting response times associated with service related incidents.
- Meeting the requirements related to budgeting, financial recording and control and annual audit as set out in 8 below.
- Reasonable availability of representative(s) to respond to any reasonable enquiry or request for information from SPPP.

- Provision of a business plan and budget to the Head of Finance Business Partnering, Treasury and Exchequer Finance and Head of Governance by 30th November each year.
- Consulting the Customer prior to introducing any changes to the scope of the service.
- Reporting of expenditure against budget following each Board Meeting.
- Reporting (following each Board Meeting) of measurable performance information, including the following;
 - the number of enquiries to JACS, split by type of client, average number of employees and any new requests to the outreach service.
 - the number of ballots conducted.
 - the number of collective disputes resolved by JACS.
 - the number and percentage of Employment and Discrimination Tribunal cases resolved by JACS without the need for a Tribunal hearing.
 - the number and value of potential Tribunal claims resolved through pre-claim conciliation.
 - the number of public and private training sessions delivered.
 - the number of sessions used on the website.
 - Any other data that should reasonably be notified to the Minister.

5.3 Service Assumptions

Assumptions related to in-scope services and/or components include:

- Changes to services will be communicated and documented to all stakeholders.
- The Service Provider will be notified of the intentions of the SPPP and Minister in respect of the introduction of new employment and/or discrimination legislation each year.
- The Service Provider undertakes to consult with the Customer prior to introducing any increases to the staffing structure.

6. Service Management and Standards

Effective support of in-scope services is a result of maintaining consistent service levels. The following sections provide relevant details on service availability, monitoring of in-scope services and related components.

6.1 Service Availability

Coverage parameters specific to the service(s) covered in this Agreement are as follows:

Telephone support: 8:30am to 4:30pm Monday – Friday

Calls received out of office hours will be recorded and best efforts will be made to answer/action the call on the next working day

Email support: Monitored 8:30am to 4:30pm Monday – Friday

Emails received outside of office hours will be collected, however no action can be guaranteed until the next working day

Earlier/later appointments can be made with an Advisor.

Out of hours assistance relating to collective disputes in essential services to be provided within 24 hours, 365 days a year.

6.2 Service Requests and Standards

In support of services outlined in this Agreement, the Service Provider will respond to service related incidents and/or requests submitted by the Customer, or those whom the Customer represents, within the following time frames:

0-8 hours (during business hours) for issues classified as High priority.

Within 2 working days for issues classified as Medium priority.

Within 5 working days for issues classified as Low priority.

Detailed Service Standards

Preventing and resolving collective disputes

JACS assists parties seeking settlement of collective disputes on employment issues by way of conciliation, mediation or arbitration. JACS can also assist in preventing and resolving problems at work by providing advisory mediation for which a charge may be levied. JACS is not able to insist on the acceptance of its assistance or to impose any solution for an issue in dispute. Before providing such assistance JACS encourages parties to make full use of any agreed procedures they may have for negotiation and the settlement of disputes.

Advisory mediation

Advisory mediation enables JACS to work jointly with employers, employees and employee representatives to help overcome problems which threaten to damage the employment relationship or which constitute a major obstacle to organisational effectiveness.

We will:

- acknowledge all requests for assistance within five working days;
- discuss fully the nature of the problems and what help might be provided and, where appropriate, be ready to suggest alternative sources of assistance;
- explain our role and working methods and agree clear terms of reference along with any charges;
- provide advisory mediation only when there is joint participation of the employer, employees and/or their representatives.

Collective conciliation

This is a voluntary process whereby employers, trade unions, and employee representatives can be assisted to reach mutually acceptable settlements of their disputes by the involvement of an impartial and independent third party.

We will:

- acknowledge all requests for assistance within 24 hours, whether made separately or jointly, and seek to reach agreement on how and when we should assist;
- offer assistance, where no request has been made where we consider it appropriate;
- provide appropriate assistance for as long as a dispute continues;
- explain to the parties that they alone are responsible for their decisions and any agreements reached;
- this service is available 365 days of the year to any essential service

Arbitration and mediation in disputes

Arbitration involves the parties jointly asking a third party to make an award that they undertake to accept in settlement of the dispute – charges are incurred for this service. Mediation involves a third-party making recommendations on a basis for settlement. JACS will normally agree to mediate or to arrange arbitration only when it has not been possible to reach a conciliated settlement.

We will:

- maintain access to a panel of independent, impartial and skilled arbitrators and mediators from whom we make appointments;
- assist parties to agree clear terms of reference for arbitration or mediation;
- explain to parties that arbitration is to settle the issue between them and they are committed to accepting an award;
- provide parties with a nominated arbitrator/mediator and details of any hearing arrangements within five working days advising of the charges that will be made for this service;
- arrange for reports and award orders to be provided simultaneously to both parties within 3 weeks of the hearing. Or as soon as is reasonably practicable based on the terms agreed with the Arbitrator under the terms of reference.

Resolving individual disputes

JACS conciliation officers have a duty to attempt to conciliate settlements of disputes where complaints have been or could be made to a court or tribunal under relevant employment protection legislation. Conciliators offer to assist both parties involved in a dispute to reach a voluntary settlement without the need to go to a formal hearing.

We will:

- contact all claimants and respondents, or their named representatives, giving information about the conciliation process together with a named contact and an offer to conciliate.

We will do this either:

- within five working days of receiving copies of a formal complaint from the offices of a relevant body, or
- within five working days of receiving directly from an employer or employee, or their named representatives, a claim that a formal complaint could be made to a relevant body and, where no settlement has already been reached;

- take prompt further action as soon as requested by either party or if no request is received, when it is useful to do so;
- keep the parties informed about the options open to them and the possible consequences whilst not expressing an opinion on the merits of a case;
- seek to promote reinstatement or re-engagement, if the complaint is of unfair dismissal, before any other form of settlement;
- not disclose information, given to a conciliation officer in confidence, to any other party unless required to do so by law;
- encourage the parties to consider the consequences of proposed settlement terms and to seek further advice if necessary;
- encourage the parties to record the terms of a settlement in writing as quickly as possible.

Providing information and advice and promoting good practice

We provide a telephone enquiry service ready to respond to queries from individuals on virtually all employment and discrimination matters (other than job vacancies, health and safety and GDPR), including the rights, protections and obligations which employment and discrimination law provides. We do not provide legal advice, nor do we represent parties for particular cases.

We can provide more extensive advisory assistance and we also publish advice and promote good employment relations practice.

Enquiry point - 3rd Floor, 1 Seale Street, St Helier, JE2 3QG

We will:

- respond to all telephone queries promptly, courteously and accurately;
- identify ourselves by name to all enquirers;
- answer written enquiries within five working days;
- see personal callers promptly or make an appointment with a named member of staff;
- offer online video service (e.g. Zoom) for those wishing to access our services in such a way;
- deal with complaints: complaints are to be made in the first instance to the Director who will investigate and respond within 10 working days. If the Director's response is regarded as unsatisfactory, or if the complaint is in relation to the Director, the complainant should write to the Chairman in confidence. The Chairman will respond within 10 working days.

Advisory assistance

Where an enquiry is too complex to deal with in a telephone conversation, we will:

- suggest an appropriate JACS or other publication, or
- suggest an appropriate JACS training or refer to assistance videos on our website, or
- arrange a meeting (either in person or via Zoom) at a mutually agreeable time and place, or
- suggest other sources of help, such as trade unions, employers' associations and the Citizens Advice Jersey.

Publishing advice and promoting good practice

We will use our experience of working with organisations and the results of any research we carry out to promote good employment relations practice. In particular we will provide:

- online training sessions/seminars/workshops
- advisory booklets, handbooks, occasional papers and other publications.

Material will be readily available, in electronic format, and will provide practical, accurate guidance. Such material will be available on our website www.iacs.org.je.

In order to recover costs, a charge maybe levied for some/any of the above if printed copies are required.

7. Annual Report

Each year the Service Provider will prepare an Annual Report on that year's activities. The report will be presented to the Minister for Social Security as soon as possible after the end of the year to which the report relates, but in any event by April 30th of the ensuing year at the latest.

8. Budgeting, financial recording and control and annual audit

- The Board will agree budget requirements for the ensuing year at its September Board Meeting, in consultation with the Director.
- Representatives of the Stakeholders will meet as soon as possible thereafter and not later than 30th November in order to finalise funding arrangements for the coming year, unless a rolling funding arrangement can be put in place.
- The Board has responsibility to ensure that financial records are maintained and that adequate financial controls are in place to ensure the proper management of funds in accordance with the States of Jersey Public Finances Manual.
- The Board will further ensure that accounts are prepared in respect of each financial year, such accounts to be prepared in accordance with generally accepted accounting principles and be audited by approved auditors.
- The Board will provide a Grant Assurance Statement to the Accounting Officer confirming how the current year's grant was spent and the outcomes achieved in comparison with the terms of the grant. That statement (or an alternative form of assurance that can be formally documented) must be submitted at the time of application for a repeat grant, or by the 31st March of the year following payment of the current grant (whichever is sooner).
- At the time of application for a repeat grant, the Service Provider will disclose whether they have made any applications for grants from other departments.
- Audited accounts will be presented to the Minister for Social Security by April 30th of the ensuing year, in accordance with the JACS Law.
- Audited accounts will be presented by the Minister for Social Security to the Office of the Auditor General and the States of Jersey Treasury in a report to the States and will be publicly available.
- Disclosure of the grant, including the amount and purpose of the grant, will be made in the States of Jersey annual Accounts.
- Under its corporate governance framework, JACS will:
 - provide robust financial systems and accurate and timely management information to the JACS Board and to SPPP.
 - Liaise with external auditors to produce audited financial statements for presentation to the States in accordance with the JACS Law.
 - Maintain systems to manage resources, meet statutory obligations and produce essential management information to demonstrate that financial resources are used in the most efficient and effective and manner.
 - Ensure robust and best practice systems of corporate governance and risk management are in place.
 - Manage financial, physical and human resources so that JACS can achieve its mission, business plan and meet stakeholder expectations
 - Manage expenditure within budget and encourage efficiencies and best practice to maximize the use of restricted resources. Ensure that any essential, extraordinary unbudgeted expenditure is pre-authorized by the Chairman or Deputy Chair.
- If a stakeholder (including the Customer) has concerns about non-performance or non-compliance with the terms of the SLA or the JACS Law, or if there is a surplus or deficit of grant monies, a complaint should be put in writing to the Director, who will investigate and respond within 10 working days. In addition, a meeting would be held with the stakeholders, one outcome of which might be the partial repayment of the grant (or of surplus grant monies) or the granting of additional monies, in a timescale to be agreed.
- If the Customer is not satisfied with the outcome of the complaint investigation, they can write to the Chair of the Board:
Mrs D Abel, Chair C/o JACS, 3rd Floor, 1 Seale Street, St Helier JE2 3QG.

- If JACS disposes of assets which were wholly or partly funded by a States grant, the proceeds (or an appropriate proportion of them) should be paid to the States unless otherwise agreed by the department.
- The Comptroller and Auditor General and departmental officers have a right of access to accounting records and other records for the purpose of audit, with reasonable notice.

JACS 11 January 2023

Jersey Advisory & Conciliation Service

Board Members' Report and

Financial Statements

For the year ended 31 December 2022

Jersey Advisory & Conciliation Service

Information

Board Members

Donna Abel
Lynda Vautier
Jimmy McCormack
Sara Garwood
Chris Mutton
Hilary Griffin
Hannah Gauvin

Executive Director

Patricia Rowan

Registration number

19091

Service Office

3rd Floor
1-3 Seale Street
St. Helier
Jersey
JE2 3QG

Auditors

Alex Picot Chartered Accountants
1st Floor, The Le Gallais Building
6 Minden Place
St. Helier
Jersey
JE2 4WQ

Jersey Advisory & Conciliation Service

Contents

	Page
Board Members' report	33 - 34
Independent auditors' report	35 - 38
Statement of Comprehensive Income and Retained Earnings	39
Statement of Financial Position	40
Notes to the financial statements	41 -46

Board Members' report for the year ended 31 December 2022

The Board Members present their report and the audited financial statements for the year ended 31 December 2022 for the Jersey Advisory & Conciliation Service (the "Service").

Statement of Board Members' responsibilities

The Board Members are responsible for preparing the Board Members' report and the financial statements in accordance with applicable law and the United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The Board Members are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Service and of the profit or loss of the Service for that period. In preparing these financial statements, the Board Members are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Service will continue in business.

The Board Members are responsible for keeping adequate accounting records that are sufficient to show and explain the Service's transactions and disclose with reasonable accuracy at any time the financial position of the Service and enable them to ensure that the financial statements comply with the Jersey Advisory and Conciliation (Jersey) Law 2003. They are also responsible for safeguarding the assets of the Service and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activities

The Service was established in Jersey under the Jersey Advisory and Conciliation (Jersey) Law 2003 and the principal activity of the Service is to assist in the building of harmonious relationships between employers and employees in Jersey.

Dividends

There were no dividends declared in the year under review (2021: £nil).

Results

The Statement of Comprehensive Income and Retained Earnings for the year is set out on page 39.

Jersey Advisory & Conciliation Service

Board Members' report for the year ended 31 December 2022

Board Members

The Board Members who served during the year were:

Donna Abel (Chairman)
Lynda Vautier
Jimmy McCormack
Sara Garwood
Chris Mutton
Hilary Griffin
Hannah Gauvin

Provision of information to auditors

Each of the persons who are Board Members at the time when this Board Members' report is approved has confirmed that:

- so far as that each Board Member is aware, there is no relevant audit information of which the Service's auditors are unaware, and
- that each Board Member has taken all the steps that they ought to have been taken as a Board Member in order to be aware of any information needed by the Service's auditors in connection with preparing their report and to establish that the Service's auditors are aware of that information.

Auditors

Alex Picot Chartered Accountants were appointed on 21st October 2020 and have expressed their willingness to continue in office.

This report was approved by the Board and signed on its behalf by:



Board Member

30 March 2023

**INDEPENDENT AUDITOR'S REPORT TO THE BOARD MEMBERS OF
JERSEY ADVISORY AND CONCILIATION SERVICE AND THE
MINISTER OF THE STATES OF JERSEY FOR SOCIAL SECURITY**

Opinion

We have audited the financial statements of Jersey Advisory and Conciliation Service (the "Service") for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income and Retained Earnings, Statement of Financial Position and Notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion, the financial statements:

- give a true and fair view of the state of the Service's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Accounting Standards;
- have been prepared in accordance with the requirements of the Jersey Advisory and Conciliation Service (Jersey) Law 2003.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) 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 Service in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, 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 Board Members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. 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 Service'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.

Our responsibilities and the responsibilities of the Board Members with respect to going concern are described in the relevant sections of this report.

**INDEPENDENT AUDITOR'S REPORT TO THE BOARD MEMBERS OF JERSEY ADVISORY AND
CONCILIATION SERVICE AND THE MINISTER OF THE STATES OF JERSEY FOR SOCIAL SECURITY
(CONTINUED)**

Other information

The other information comprises the information included in the Board Members' report. The Board Members are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 Board Members

As explained more fully in the statement of Board Members' responsibilities set out on page 33, the Board Members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board Members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board Members are responsible for assessing the Service'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 Board Members either intend to liquidate the Service or to cease operations, or have 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud:

**INDEPENDENT AUDITOR'S REPORT TO THE BOARD MEMBERS OF JERSEY ADVISORY AND
CONCILIATION SERVICE AND THE MINISTER OF THE STATES OF JERSEY FOR SOCIAL SECURITY
(CONTINUED)**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

During our audit we assessed the risk of material misstatement of the financial statements as a result of non-compliance with relevant laws and regulations (irregularities), including fraud. Based on our understanding of the Service and its environment, together with discussion with senior management where appropriate, we were able to identify those laws and regulations which would have a direct effect on the financial statements as well as those which may have an effect on amounts in the financial statements, for instance through the imposition of fines or litigation. These included, but were not limited to the Jersey Advisory and Conciliation Service (Jersey) Law 2003 as well as general legislation applicable to an entity operating in Jersey, such as Data Protection requirements, Employment Law and Health and Safety Regulation. The risks arising from these laws and regulations were discussed amongst the audit engagement team, including consideration as to how and where fraud might occur.

Based on our assessment, the Engagement Partner ensured that the audit engagement team was composed appropriately with suitable competence and capabilities in order to allow identification and recognition of non-compliance with laws and regulations. The risks identified were communicated to all engagement team members who remained alert during the course of the audit for any indication of irregularities, including fraud.

Our procedures in response to the risks identified included the following:

- Enquiry of management, including consideration of known or suspected instances of non-compliance with laws and regulation or fraud;
- Review all available minutes of meetings held by those charged with governance;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- In common with all audits carried out under the ISAs(UK), we carried out procedures in response to the threat of management override, including those considering the appropriateness of journal entries and judgements made in making accounting estimates;
- Review for any changes to activities which the Service undertakes;

**INDEPENDENT AUDITOR'S REPORT TO THE BOARD MEMBERS OF JERSEY ADVISORY AND
CONCILIATION SERVICE AND THE MINISTER OF THE STATES OF JERSEY FOR SOCIAL SECURITY
(CONTINUED)**

There are inherent limitations in the audit procedures above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. In addition, the risk of not detecting material misstatement due to fraud is higher than detecting one resulting from error, as fraud may involve deliberate concealment by, for example forgery, collusion or intentional misrepresentations. We are not responsible for preventing non-compliance and cannot be expected to detect all non-compliance with laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Service's members, as a body, and the Minister of the States of Jersey for Social Security ("the Minister") in accordance with Section 10 of the Schedule to the Jersey Advisory and Conciliation Service (Jersey) Law 2003. Our audit work has been undertaken so that we might state to the Service's members and the Minister 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 Service and the Service's members as a body and the Minister, for our audit work, for this report, or for the opinions we have formed.

31 March 2023



Alex Picot
Chartered Accountants

Jersey Advisory & Conciliation Service

Statement of Comprehensive Income and Retained Earnings for the year ended 31 December 2022

	Note	2022 £	2021 £
Turnover			
Grant received	2	354,900	354,900
Other income		4,912	3,542
		<u>359,812</u>	<u>358,442</u>
		=====	=====
Administration expenses			
Staff costs		282,213	293,883
Travel and entertainment		1,323	629
Telephone		1,985	1,823
Computer support and maintenance		14,788	10,918
Advertising and promotion		575	575
Auditors' remuneration		5,651	5,225
Repairs & Renewals		-	1,027
Sundry expenses		4,124	3,355
Rent		26,180	25,052
Light and heat		858	906
Service charges and maintenance		6,240	4,924
Postage		4	-
Insurance		1,161	342
Depreciation		6,127	9,114
Stationery, printing and production		723	766
Leasing charges		51	246
Bank charges		104	157
		<u>352,108</u>	<u>358,942</u>
		=====	=====
Profit / (loss) for the year		7,704	(500)
		=====	=====
Retained Funds brought forward		138,454	138,954
		<u>=====</u>	<u>=====</u>
Retained Funds carried forward		146,158	138,454
		=====	=====

There were no items of other comprehensive income for the years ended 31 December 2021 and 2022.

All amounts relate to continuing activities.

The notes on pages 41 - 46 form part of these financial statements.

Jersey Advisory & Conciliation Service

Statement of Financial Position as at 31 December 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed Assets					
Tangible fixed assets	3		5,728		10,553
Current Assets					
Debtors and prepayments	4	2,306		1,202	
Cash at bank and in hand		148,918		138,502	
		151,224		139,704	
Creditors: amounts falling due within one year	5	(10,794)		(11,803)	
Net current assets			140,430		127,901
Total assets less current liabilities			146,158		138,454
Creditors: amounts falling due after more than one year	5		-		-
Net assets			146,158		138,454
Capital and Reserves					
Profit and Loss account			146,158		138,454
Retained funds					
			146,158		138,454

The financial statements on pages 39 to 40 were approved and authorised for issue by the Board and were signed on its behalf by


Executive Director



Board Member

Date: 30 November 2023

The notes on pages 39 to 46 form part of these financial statements.

1. General Information

The Jersey Advisory & Conciliation Service is a body corporate, incorporated in Jersey under the Jersey Advisory and Conciliation (Jersey) Law 2003. The Service's principal place of business, which is also its registered office, 1-3 Seale Street, St. Heller, Jersey, JE2 3QG.

The principal activity of the Service is employment relations and is here to help employers, employees and trade unions work together for the prosperity of Jersey business and the benefit of employees.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention on a going concern basis and in accordance with United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland". The financial statements have been prepared using the Small Entities Regime under section 1A of FRS 102. The financial statements are presented in Pound Sterling, which is also the functional currency of the Service.

2.2 Revenue Recognition

Grants provided by the States of Jersey Social Security Department have been given to finance the general activities of the Service over the year and as such constitute the Service's major income source. Grants are recognised in the profit and loss account over the period for which the services for which the grant has been provided are delivered and any grant received that relates to the provision of services for future periods is deferred as at the year-end. In the opinion of the Board Members there is no existing obligation to repay any unspent portion unless this is specifically requested by the Social Security Department.

Income from the provision of public and in-house training courses provide a secondary source of revenue to the Service. Training income is recognised in the Statement of Comprehensive Income and Retained Earnings in the same period the training was supplied, and any training income received that relates to the provision of training courses for future periods is deferred as at the year-end.

2.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixture and fittings	20% straight line
Other fixed assets	33% straight line
Leased office equipment	Shorter of 33% straight line or lease term
Leasehold improvements	Shorter of 20% straight line or lease term

2. Accounting policies (continued)

2.4 Cash and cash equivalents

Cash and cash equivalents includes cash in hand and deposits held at call with banks with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

2.5 Taxation

For taxation purposes the Service is exempt from paying Jersey income tax in line with Provision 14 of the Schedule to of the Jersey Advisory and Conciliation (Jersey) Law 2003.

2.6 Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over the shorter of either their useful lives or the lease term. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Comprehensive Income and Retained Earnings so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight-line basis over the lease term.

2.7 Provisions

Provisions are recognised when the Service has a present legal, or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

2.8 Financial Instruments

The Service has chosen to adopt Sections 11 of FRS 102 in respect of financial instruments.

Basic financial assets, including trade and other receivables, cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

Notes to the financial statements for the year ended 31 December 2022

2. Accounting policies (continued)

Basic financial liabilities, including trade and other payables are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. They are subsequently carried at amortised cost, using the effective interest rate method.

Financial Assets are derecognised when (a) the contractual right to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the asset are transferred to the other party, or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled, or expires.

3. Tangible fixed assets

	Furniture, Fittings & equipment £	Computer equipment £	Leased office equipment £	Leasehold improvements £	Total £
Cost					
At 1 January 2022	10,513	7,308	6,400	13,876	38,097
Additions	-	1,302	-	-	1,302
	=====	=====	=====	=====	=====
At 31 December 2022	10,513	8,610	6,400	13,876	39,399
	=====	=====	=====	=====	=====
Depreciation					
At 1 January 2022	6,484	5,703	6,400	8,957	27,544
Charge for the year	2,103	1,249	-	2,775	6,127
	=====	=====	=====	=====	=====
At 31 December 2022	8,587	6,952	6,400	11,732	33,671
	=====	=====	=====	=====	=====
Net book value					
At 31 December 2022	1,926	1,658	-	2,144	5,728
	=====	=====	=====	=====	=====
At 31 December 2021	4,029	1,605	-	4,919	10,553
	=====	=====	=====	=====	=====

Jersey Advisory & Conciliation Service

Notes to the financial statements for the year ended 31 December 2022

4. Debtors and prepayments

Amounts falling due within one year	2022 £	2021 £
Prepayments and accrued income	2,306	1,202
	=====	=====

5. Creditors

Amounts falling due within one year

Other creditors	10,794	10,510
Finance Lease creditor	-	1,293
	=====	=====
	10,794	11,803
	=====	=====

Amounts falling due after more than one year

Lease creditor	-	-
	=====	=====
	-	-
	=====	=====

Net obligations under finance leases

Repayable within one year	-	1,344
Repayable between two and five years	-	-
	=====	=====
	-	1,344
Less: Finance charges	-	51
	=====	=====
	-	1,293
	=====	=====

Notes to the financial statements for the year ended 31 December 2022

6. Ownership and Governance

The Service is created by Jersey Advisory and Conciliation (Jersey) Law 2003. There is no ultimate controlling party. The Service is managed by an Executive Director and a Non-Executive Board consisting of a Chairman and up to 6 other Board Members appointed by Social Security Minister. The Service, as a quasi-government body, is funded by the States of Jersey Social Security Department. The aim of the Service is to assist in the building of harmonious relationships between employers and employees in Jersey.

7. Related party transactions

The Board Members are considered key management personnel. There were no transactions with any of the Members of the Board. The Executive Director earned a salary on an arm’s length basis.

8. Commitments

At 31 December 2022 the Service had annual commitments under an operating lease in respect of the premises at Seale Street, being a 9-year lease subject to rent reviews at 3 and 6 years, and break clause at year 5. This lease was entered into on the 21 November 2018, with a commencement date of 1 September 2018.

Total future minimum lease payments under non-cancellable operating leases

	2022	2021
	£	£
Within one year	23,999	26,180
Between two to five years	-	23,999
After five years	-	-
	<u>23,999</u>	<u>50,179</u>
	=====	=====

9. Pensions

Certain employees of the company are members of the Public Employees’ Pension Fund (‘PEPF’), which includes the Public Employees Contributory Retirement Scheme (‘PECRS’) and a career average revalued earnings (CARE) section known as the Public Employees’ Pension Scheme (PEPS). The PECRS, whilst a final salary scheme, is not a conventional defined benefit scheme as the employer is not responsible for meeting any ongoing deficiency in the scheme. The PEPS is a career average revalued earnings scheme but is not a conventional defined benefit scheme as the employer is not responsible for meeting any past service deficiency in the scheme. The pension funds are therefore, in accordance with FRS 102 p28.11 (multi-employer exemption), accounted for as defined contribution schemes.

Since 1 January 2016 all new employees have been admitted into PEPS. Existing employees in the PECRS transferred into PEPS on 1 January 2019.

9. Pensions (continued)

Contributions to the Scheme are at the rate of:

- 16% of salary in 2022 in respect of each employee who was a member of the PECRS.
- 16% of pensionable earnings in respect of each employee who enrolled as active member of the PEPS.

Salaries and wages include pension contributions for staff amounting to £34,615 (2021: £28,213).

10. Average number of employees

The average number of employees employed by the Service during the year was 4 (2021: 3).