

# STATES OF JERSEY

## Public Accounts Committee Financial Directions

**MONDAY, 18th MAY 2015**

**Panel:**

Deputy A.D. Lewis of St. Helier (Chairman)

Deputy S.M. Wickenden of St. Helier (Vice-Chairman)

Deputy J.A. Martin of St. Helier

Connétable C.H. Taylor of St. John

**Independent Members:**

Mr. G. Drinkwater

Mr. R.J. Parker

Mr. M. Robinson

**Witnesses:**

Chief Executive, States of Jersey

Director of Human Resources

**In Attendance:**

Comptroller and Auditor General

Clerk to the Public Accounts Committee

[14:10]

[Introductions]

**Deputy A.D. Lewis:**

Today, as you know, we are going to be having a look at Financial Directions and we are very grateful that we have got the Director of H.R. and the Chief Executive of the States of Jersey to come and talk to us about it and answer a few questions.

**Chief Executive Officer of the States:**

Chairman, my apologies, the I.S. (Information Services) Director is on his way. They have got a slight confusion with the correspondence, but he is on his way.

**Deputy A.D. Lewis:**

No, that is quite all right. Well, as it happens, the questions that we are going to get to are later on in the programme, so that is absolutely fine. Financial Directions, here they are; quite a weighty document. Perhaps that is maybe one of the issues, it is not usually that big and we would perhaps be interested in your view on that. Nevertheless, we have them, they are an important element of government finance, but we are here to maybe talk about how they could be interpreted better. So we are going to go through a list of questions, we are going to go round the table and ask you some questions, some supplementaries may follow. Hopefully, as a result of that, you can tell us a lot more and we can learn a lot more and hopefully we can then produce a report that is of benefit to you, the States and perhaps the public as well. So let us just start off; this is a question perhaps aimed at John, first off. John, could you tell us what is the core purpose of Financial Directions?

**Chief Executive Officer of the States:**

I think it is primarily to make sure there is a standard which is setting the direction in terms of governance and control for managing public finances; that is very high-level. Then obviously I can drill down into a lot more detail. But, in an organisation such as the States, which I think from history says we are coming from a very disparate organisation, because of the way the committee style used to work, to a slightly more centralised corporate, there needs to be a set of standards. I think that applies across all the corporate functions which, no doubt, we will talk about as we go through this afternoon's hearing. So the Financial Directions set a very good starting point and I think the C. and A.G.'s (Comptroller and Auditor General) report reflects the fact that they need updating, and we can obviously talk about that in more detail. That is my simple definition of them.

**Mr. R.J. Parker:**

John, do you believe that the current Financial Directions are fit for purpose?

**Chief Executive Officer of the States:**

A simple answer, yes or no, is yes but, like everything else, they need changing, updating, refreshing. I think we learnt from experience in that they were probably a bit too prescriptive in the

level of detail they work at. So they need to be more setting direction but then each department, each chief officer, each accounting officer, needs then to be very clear about their interpretation of those directions in terms of what is mandatory. And then they need to reflect on that in how they manage their organisation.

**Mr. R.J. Parker:**

Do you think they hold back people who are dealing with the finance side from integrating properly with the operations side to make a more efficient public sector?

**Chief Executive Officer of the States:**

I do not see that as a problem from a Financial Directions and operations side. I think there are clearly challenges in terms of how you interpret strict compliance with a financial direction and, as an operational manager, what you might be able to demonstrate: "I think I could get better value if I did it this way" which is not in compliance with Financial Directions. So it creates a tension.

**Mr. R.J. Parker:**

So it holds people back from properly moving an organisation forward?

[14:15]

**Chief Executive Officer of the States:**

It does, but then my question would be: "Well, okay, if you did not have them, how do you make sure you apply appropriate standards, governance and compliance rather than have a free-for-all?"

**Mr. R.J. Parker:**

But then, on the other hand on that, you end up with the accountabilities related to the Financial Directions, but if someone does not do other things which are probably necessary for the organisation, there is no real accountability for not doing that.

**Chief Executive Officer of the States:**

But then you have very limited management information and understanding of where your expenditure sits. If you take the brakes off completely and you tore up Financial Directions, you have a free-for-all.

**Mr. R.J. Parker:**

But is that not the case at the moment due to the lack of I.T. (information technology) and upgraded systems?

**Chief Executive Officer of the States:**

No.

**Mr. R.J. Parker:**

That, in fact, you have a sort of lack of information and proper management information?

**Chief Executive Officer of the States:**

Well, I think our management information needs to be better but the fact that we have a set of compliance standards called Financial Directions, which requires accounting officers to comply with them, and we have Internal Audit and States internal controls, et cetera, in place, then there is general compliance. But there will always be exceptions and there will always be reasons why a chief officer or a manager cannot comply with a financial direction, in which case you have an exemption form which you fill in. So, as they sit there today, they provide the framework within the organisation.

**Mr. R.J. Parker:**

So it is more like they provide that sort of Treasury function rather than strategic financial management, so that higher level of financial management is probably missing, in a sense, because they are rather prescriptive.

**Chief Executive Officer of the States:**

Financial management at a higher level, I would not necessarily see as being part of the existing Financial Directions.

**Mr. R.J. Parker:**

Then how is that covered? Because that seems to be where there is an area that is lacking.

**Chief Executive Officer of the States:**

I think we are drifting into the ...

**Deputy A.D. Lewis:**

Maybe we can come back to that towards the end.

**Chief Executive Officer of the States:**

I am happy to answer it, Chairman, but I just think I am drifting into another area of another report – the Financial Management report.

**Deputy A.D. Lewis:**

Yes. Financial management, yes.

**Chief Executive Officer of the States:**

Financial management report, absolutely

**Deputy A.D. Lewis:**

We will probably touch on financial management as we go on through the hearing, but do you feel your staff fear or welcome these directions?

**Chief Executive Officer of the States:**

A combination of the 2, I think is my honest answer.

**Deputy A.D. Lewis:**

Yes, that is what I thought. Is that a concern of yours?

**Chief Executive Officer of the States:**

It is a concern because they are there to set the tramline, the direction. The fear for them is: "I cannot comply with them." Therefore what happens, well, there is a procedure to follow if you cannot comply for a reason but, equally, they benefit from them because, if you follow them, then you know you are pretty compliant. I think the problem is they tend to become a little bit prescriptive in some areas, which makes it quite difficult and everything just broadens slightly. I regularly hear staff saying: "If only I could. If only."

**Deputy A.D. Lewis:**

So when it comes to allegations that the States should be more commercial, perhaps it is quite difficult to do within current Financial Directions?

**Chief Executive Officer of the States:**

I think that is the difference between how they are written today and how we see them written in the future.

**Deputy A.D. Lewis:**

Yes, how they could be. Yes. Okay.

**Deputy S.M. Wickenden:**

Can I ask how many exemptions you tend to get from Financial Directions?

**Chief Executive Officer of the States:**

I cannot give you a number, but in terms of my own Chief Minister's Department, relatively few. As Accounting Officer, I am probably only asked to sign maybe one or 2 every couple of months. Most of them are about extending a contract because something is going to happen. A contract is due to finish at the end of a particular period, because that is the period of time that contract is in place, but there is valid reason for saying: "We want to extend that contract" without going back out to tender because something is going to change in another 6 months or 12 months' time. I think, for all of the ones I sign, it is for that reason.

**Mr. R.J. Parker:**

Do you see that they can possibly be used as a way of protecting someone who has made a bad decision? So something that looks obviously that it should not have been done, because they have ticked the boxes, they are protected because of the prescriptive content of those directions?

**Chief Executive Officer of the States:**

I cannot think of an example where I could give you one. I am thinking of one particular case we had to investigate last year, which was about non-compliance with them, which was quite a detailed case which went on for some time, which I think the Chairman is aware of.

**Deputy A.D. Lewis:**

Yes.

**Chief Executive Officer of the States:**

But I am not sure we can hide behind them. There may be an example but I cannot think of one offhand where I could say: "Someone hid behind that direction."

**Deputy A.D. Lewis:**

Would it be fair to say that sometimes it comes down to interpretation and having directions that are open to interpretation, that enables people to get into that position that Robert is talking about?

**Chief Executive Officer of the States:**

Yes. There is definitely a question of interpretation; again, because of the way they are written at the moment, they are very prescriptive.

**Deputy A.D. Lewis:**

Talking about signing and governance, Mike, you had a question?

**Mr. M. Robinson:**

Yes. You are clearly the officer responsible for signing the annual governance statements in the accounts. How have you taken into account the C. and A.G.'s report in signing the statement for last year?

**Chief Executive Officer of the States:**

The first thing I always require from each chief officer is their own signed copy of their statement of internal control, so that is a starting point obviously in where they identify areas of non-compliance, so then it is a case of has that been properly documented. I then rely on the Chief Internal Auditor for their audit reports which looks at compliance with Financial Directions or with how an audit has been carried out. If I start seeing a trend or there are issues which are being identified which are broader than just a particular area of activity that the audit is focused on, well then I start going back in and having some discussions with the Chief Officer or Accounting Officer.

**Mr. M. Robinson:**

The C. and A.G. recommended that issues of non-compliance are linked to individual financial directions. Do you think that is valid for the annual government statement?

**Chief Executive Officer of the States:**

Yes, I think the areas where it is non-compliant, then I need to reflect on it back to the financial direction.

**Mr. M. Robinson:**

And be specific, yes.

**Chief Executive Officer of the States:**

Yes, and then starting looking in the specific areas.

**Mr. M. Robinson:**

Can I just ask a general question about the ministerial response? The committee noted there were no timescales included within it. Do you have any comments on that?

**Chief Executive Officer of the States:**

Yes. I think that the reason for the timescales was just purely a timing issue of – and I am sure you will speak to the Treasurer this afternoon about it – it was that closure of the final accounts. Sorry, let us just take a step back there, Financial Directions are prepared by the Treasury Department, the Treasury team, so as they prepare them they have to put that into their timeframe and Financial Directions normally fit in the period between financial accounts being completed and closed and the next set. So the timescale issue, I think, is very much about the timing of the

issuing of the report, which coincided with the end-of-year position, financial accounts, some staff change issues which the Treasurer had to deal with. I think their timescale is then to get on with the preparation and delivery of them as soon as final accounts are closed.

**Deputy A.D. Lewis:**

But if you have got all those milestones, then you should be able to give some timescales to the response.

**Chief Executive Officer of the States:**

I think that is a valid comment, yes.

**Deputy A.D. Lewis:**

Yes, because you know when that audit is going to be, so you should be able to work backwards from that.

**Chief Executive Officer of the States:**

We should be able to then get on with delivering of the schedule and the plan. The Treasurer will need to comment on it himself, but start date would probably be starting around now, once the final accounts are closed, to be then able to deliver the new Financial Directions.

**Deputy A.D. Lewis:**

This is a weighty document, so it is not going to be a quick thing to review it in its entirety, but I assume there is no reason why elements of it could not be looked at and amended relatively quickly.

**Chief Executive Officer of the States:**

I hope the new ones will be slightly thinner than that, but ...

**Deputy A.D. Lewis:**

You would hope so, too.

**Deputy S.M. Wickenden:**

I did notice in the Financial Directions that some of them have been in draft from 2013 and 2012. How long would you normally think that a financial direction would be in draft before you could put it into act?

**Chief Executive Officer of the States:**



I would certainly expect a financial direction, once it has been drafted, and no doubt you need to go through obviously a check and validation process, but there should not be any reason why, once we have been through that process, it should not be implemented within weeks.

**Deputy A.D. Lewis:**

How would you inform your officers of that change and to be very clear that a change had occurred?

**Chief Executive Officer of the States:**

Well, the Corporate Management Board meets every 2 weeks so that is the ideal forum where you would table new financial directions. Normally, I think I would probably expect them to come in groups, because some of them are linked, so there is no reason at all why, once they have been through all the preparation and approvals process, they cannot then go to the C.M.B. (Corporate Management Board) for final sign-off.

**Deputy A.D. Lewis:**

Then there is a clear process of telling their officers below them that that change has occurred?

**Chief Executive Officer of the States:**

Absolutely, yes.

**Deputy A.D. Lewis:**

We will come on to that in a minute because there is a question that that may concern. Okay. Gary, I think you had a ...

**Mr. G. Drinkwater:**

Yes. John, who is responsible for the programme to be implemented – the recommendations of the C and AG?

**Chief Executive Officer of the States:**

On Financial Directions?

**Mr. G. Drinkwater:**

Yes.

**Chief Executive Officer of the States:**

There Treasurer would be responsible for virtually all of them, except probably one.

**Mr. G. Drinkwater:**

Do they set the timescales?

**Chief Executive Officer of the States:**

Set the timescales, yes, because Financial Directions are developed by the Treasury under the Public Finances Law.

**Mr. G. Drinkwater:**

So who in Treasury; Chief Treasurer, or ...?

**Chief Executive Officer of the States:**

The Treasurer.

**Mr. G. Drinkwater:**

Okay.

**The Connétable of St. John:**

What steps have so far been taken to implement the recommendations of the C. and A.G.'s report?

**Chief Executive Officer of the States:**

Without going through every recommendation, I think the vast majority, which is about redrafting them, are now in their work schedule for completion once the final accounts are closed. The recommendation 1, which is the one that probably does not apply so much to the Treasurer, that is more in my area and in Richard's (the Director of Human Resources) area, is about implementation of directions to cover other areas, such as I.S. and H.R. The new Employment of States of Jersey Employees Law has just been lodged, and that law makes the changes which effectively allows for codes of practice to become direct equivalents to Financial Directions to cover employment matters. So that is in hand, that is done. As soon as the law is approved, then the current policies we have got will be converted into codes of practice. I think this report has been very timely for us in that it allows us to reflect the design of the codes of practice against the backdrop of this report to make them very high-level, simple and clear in terms of how they are then adopted by chief officers.

**Deputy A.D. Lewis:**

I think that already answers your question, Judy?

**Deputy J.A. Martin:**

Well, except it does not give the actual time it will be implemented. Do you think it will be this year?

**Chief Executive Officer of the States:**

Well, certainly, the Employment of States of Jersey Employees Law, subject to States approval, will be approved in about 6 weeks' time, I think. It is lodged, so as soon as it gets through the debate it will be approved and then, from that point on, the H.R. team will develop the codes of practice. So S.E.B. (States Employment Board) will then approve them and then we can just roll them out. One of the areas which covers the bullet points above the recommendation 1 in the C. and A.G. report, looks at a number of our policies. Those policies, as part of the Workforce Modernisation programme, have been rewritten so we have now got new policies already in place. Those policies will need to be converted into a code of practice, where it is appropriate, and that can be done relatively quickly.

**Deputy A.D. Lewis:**

Thanks for that, John. Now, we come on to some cultural issues which is going to be particularly relevant to H.R. and to Richard. There has been a lot of talk in recent times about culture in the States and the change of culture that you are trying to implement; it is an important part of public sector reform. How would you describe the current culture of the States of Jersey, Richard?

**Director of Human Resources:**

As a new joiner?

**Deputy A.D. Lewis:**

Yes. You are fairly new so fresh eyes. What do you think the culture currently looks like?

**Director of Human Resources:**

I was quite surprised. I have been in post for about 16 months now and have come from the private sector, so worked in the finance industry over here for 17 years. I think the culture is changing, is the way I would describe that. I think the first thing is the efforts of the people and the quality that they are trying to achieve to provide the services to the public are extremely high. But I think, in terms of what I have come into, the way that the organisation is designed does not necessarily lend itself to being as agile as you would like it to be. I think there have been some changes in terms of the way that people are collaborating at the moment across the organisation that is supporting the change that is happening. I think it is change that may not have happened previously, so I can identify some of the barriers that might have happened previously, and I think some of those barriers are slowly coming down. Certainly, the lead for that needs to come from

the Corporate Management Board in terms of how they work across the organisation so, rather than sitting purely in silos, working on cross-departmental projects.

[14:30]

I think there are a number of work streams that have enabled us to demonstrate that some of those changes are starting to come. Workforce modernisation would be one, and we picked out the policies. When I arrived, I think there were something like 5 different maternity policies depending on which department you were in, and absence policies, et cetera. We now have one, and, since December 2014, the improvement in what I would consider normal standard management practice in focusing on managing our people has improved to the point, in fact, we can report against it. So an example would be an increase in case management from 173 cases to just shy of 500. Largely driven by the fact we have a harmonised policy in absence, which makes it easier to understand and probably picks up on the point of trying to make these documents clearer, easier to interpret, and ones that you can use at the frontline.

**Deputy A.D. Lewis:**

Your post has seen a number of incumbents in recent years.

**Director of Human Resources:**

I believe so; Am I speaking from a position of strength?

**Deputy A.D. Lewis:**

I hope you are going to be around for some time to come, but I guess it is a challenge. Are people excited about this cultural change? Are you excited about it? Do you really feel it has been delivered now? You have come from the private sector, there is real opportunity here to make the change; do you feel empowered to do that as well?

**Director of Human Resources:**

I do feel empowered to make it, and I would not have joined unless I believed that I could make that sort of difference. It was a slight step into the unknown in what I thought I was walking into to the reality. The reality is surprising. This may surprise people, but there are some decisions that are quicker to make in the public sector than in the private sector; not a huge amount, but there are some. I think the fact is that the recruitment of different individuals moving into the public sector is helping to drive some of that change through. The thing with the cultural change, though, it does not happen overnight and it will not happen just because we have got 5 values on the wall. I think the opportunities that we have got now to redesign the service do not happen very often. The climate is right and I think some of those base foundations that we put in with Workforce

Modernisation will help to create that culture of continuous change. Am I excited? Yes, I am, but I will remain excited as long as we are doing it right.

**The Connétable of St. John:**

What is the culture you are targeting through the Public Sector Reform programme?

**Director of Human Resources:**

Well, if we start with just the modernisation piece in terms of trying to get the framework for change correct. So if you are looking at the programme which is looking at all the different roles in the States of Jersey and being consistent in the way we are able to look at reward, if we can move towards a single pay spine, if we can harmonise those terms and conditions, just to get that level playing field and be clearer about what our proposition is as an employer, that would be the first step, because only then can you start looking across the whole organisation and seeing where there are synergies between different departments and different roles. I think hugely important at this moment is the changing relationships with our unions who we are in partnership with. As a surprise in terms of having been resident in Jersey for a number of years and seeing that sort of relationship only as reported, it is incredibly positive to have come in in the last 18 months and working very closely with the employer to move things forward. Clearly, we are in slightly different times now and that landscape has changed but, nevertheless, the way that we work with the unions through this next 18 months to 3 years will be even more important as we look after our people going through the transformation that needs to happen.

**Mr. R.J. Parker:**

Richard, what impact, if any, do you believe the current Financial Directions have on the culture of the organisation?

**Director of Human Resources:**

As everybody has said, it is quite a hefty document and I think the interpretation of it in terms of the culture is it is known that it is there and that is what you abide by to achieve it. So I think probably picking up on some of the points you might have been making earlier, in terms of creating that agility and the ability to make the decisions where you need to make them, probably not as supportive as you would like them to be but, nevertheless, the controls ... well, I think we would all recognise we need governance and controls when you are dealing with public finances. So it is just getting the touch right rather than perhaps something which is ... I am not saying it is unworkable, because I work within them on a daily basis, but could my life be made easier? Potentially, yes.

**Mr. R.J. Parker:**

How does that affect the accountability at the present moment in time?

**Director of Human Resources:**

I have not seen that come out in any of the cases that I have been looking at at this moment in terms of case management or anything else. I think when you are able to hold people to account, it is nice and easy, I guess. If there are, I suppose, more abstract ...

**Mr. R.J. Parker:**

Probably other overriding principles, if you read the contract, because the actual directions are very prescriptive and detailed.

**Director of Human Resources:**

They are.

**Mr. R.J. Parker:**

So the question is: is there that overriding catchall, as such, that says: "You should act in a good manner, X, Y and Z" and so forth?

**Director of Human Resources:**

Yes. I think because they are so prescriptive, that is not so easy to achieve.

**Mr. R.J. Parker:**

Therefore it becomes very costly and difficult to deal with particular issues of accountability.

**Director of Human Resources:**

Yes. I think the report probably lays out the things that we need to do to improve the use of the *Financial Directions* in the current format, which I think will improve that part of it.

**Deputy S.M. Wickenden:**

Is it required reading, Financial Directions? I know in the private sector certainly directions like this would have a regular reading and everyone that comes in would have to know what they say.

**Director of Human Resources:**

It was pretty high on my agenda when I arrived, but I think more so than that, in terms of one of the training courses that we offer on the middle management programme is focused very heavily on ... I think you would call it: "Finance for non-financial managers", but it is prescriptive around Financial Directions to help people to understand them. It is a pretty well-attended course and, as a course, it is high-quality.

**Mr. M. Robinson:**

Can I just ask a question on that? Are you satisfied with the amount of training that non-financial managers receive in relation to Financial Directions?

**Director of Human Resources:**

Am I satisfied with that? I can probably quote statistics but that does not really answer the question in terms of whether they are getting the necessary training on finances. I cannot answer that at the moment, I am afraid.

**Mr. M. Robinson:**

Do you think that is more for the Treasurer to answer, or ...?

**Director of Human Resources:**

Well, I think the finance teams will absolutely take a lead on that in departments and, of course, we have finance directors in each department. Corporately, we deliver this one course, which I know is well-attended. Whether that has got to the reach across the whole organisation, I would not be able to clarify.

**Deputy A.D. Lewis:**

Is that attended just by finance managers and financial ...

**Director of Human Resources:**

No.

**Deputy A.D. Lewis:**

Right across the board; it is any member of any management team?

**Director of Human Resources:**

Any manager, correct.

**Deputy A.D. Lewis:**

I think that is what Mike is getting at, is it the non-financially-trained managers?

**Director of Human Resources:**

Yes, that is what that is.

**Mr. M. Robinson:**

It is managers without a specific financial role who, nonetheless, may be in control of a budget so they can help develop budgets and need to know about Financial Directions. If they are not trained in that, there might be an issue there.

**Director of Human Resources:**

Yes. I think it is a highly-attended course; what I do not know is the statistics of who has attended across the whole organisation.

**Mr. M. Robinson:**

I think there also may be a question about the consistency of training throughout departments. Some departments may offer very good training in financial directions and managing budgets. Others may not, and whether that is controlled from the centre adequately or not is the question maybe?

**Director of Human Resources:**

That is a good question and I think the corporate training is limited. It is limited to that one course on finances and on financial management. It is a good course, but obviously you are only running it infrequently so therefore there is an onus on the departments and the finance directors to ensure that there is appropriateness within their own departments. That bit I do not have visibility on but I can get statistics on how many courses we are running centrally, but at this moment it is light.

**Deputy S.M. Wickenden:**

Do you get feedback on the courses afterwards from the people that attended it?

**Director of Human Resources:**

Yes, we would, yes. I have not got that with me.

**Deputy S.M. Wickenden:**

You have not, okay, but you do get the feedback?

**Deputy A.D. Lewis:**

Is it generally quite good?

**Director of Human Resources:**

That particular course is incredibly positive. It is very well-attended and very well run, which is unusual in that respect...

**Deputy A.D. Lewis:**



I think they are probably worried about making a mistake, when I look at this document!

**Director of Human Resources:**

... in that is a relatively dry subject in that respect but it is delivered very well.

**Deputy A.D. Lewis:**

Gary, I think does that answer most of your questions in this next question already?

**Mr. G. Drinkwater:**

Yes, more or less. We were just looking to see the desired culture changes, if we are going to bring about this desired culture.

**Director of Human Resources:**

I think everything we are doing at this moment is moving the culture, but culture is a terribly hard thing to describe and it will be different for every individual, not only in this room but across the organisation. There will be subcultures across the States of Jersey, due to the diversity of the workforce and the varied work that we do. But examples where we are making, I think, positive strides forward, would be 2 weeks ago we held an extended leadership team event for all the senior managers; obviously there are some pressing issues that we are facing as an organisation. That was an example of all the different departments coming together. I do not know how often this has happened before but mixed up, different tables, working across the organisation together. The plan is to hold another set of interventions in June with the next layer. This is the issue we face: keeping it going through the organisation, so the next layer down, who would be primarily people who had attended the middle manager programme.

**Mr. G. Drinkwater:**

So if they are engaging, which I think is a great idea, and presumably one or 2 of them are starting to offer suggestions through these work sessions, are they being recorded? Are there things that you as a senior manager can see, the type of things they are saying and you can get them to feed back, so you have got opportunities to make change on those suggestions?

**Director of Human Resources:**

Yes. I think it goes further than that. I think what we asked them for in the last round, and it was only one day, and it is not going to change the whole organisation in a day, but we asked for volunteers to come forward with ways in which we can improve certain things, and through certain workshops. One of them is service redesign and the other one is communication and engagement across the piece, which is notoriously difficult to achieve in any organisation, but it seems even harder here. That only happened 2 weeks ago, so we are now working through that, and the idea

is that we would work with those volunteers to continue to drive that forward, so keeping the momentum going in that particular field.

**Deputy A.D. Lewis:**

I am mindful of time and we have got a few more questions to get through here but, John, I think you wanted to interject there?

**Chief Executive Officer of the States:**

Just a very simple example of culture change in an organisation. Last September, we suddenly realised, because of the financial position, that we had to make savings for 2015. Normally, budgets are all set and ready to go. The Treasurer presented to the Corporate Management Board the position, presented the challenge. Within an hour, accepted. Within 2 weeks, because we went back the second time, a second meeting, everyone had agreed. Now, that is the first time I have ever seen the Corporate Management Board and the organisation not end up spending 2 or 3 months deliberating over: "Is my department going to save this much?" and: "Why are you not saving that much?" and: "Why are you not saving that much?" Accepted, done, moved on. So the challenge we have got now is slightly bigger but the Corporate Management Board has met since January; more or less the whole focus of the C.M.B. meeting is about the budget. We have looked at a number of iterations and ways of making the savings and we are making very good progress. Would that have happened previously in the Fundamental Spending Review, Comprehensive Spending Review? I would suggest not. I would suggest it was a very different style of working and that is purely, I believe, because the culture has changed where everyone is accepting now working together, cross-organisational working and meeting the challenge.

**Deputy A.D. Lewis:**

That is encouraging. Thank you, John. I am going to move on to a slightly different area now, that is monitoring compliance. One of the things that we have spoken about a few times when we were reviewing this report is consistency as to how do the *Financial Directions* get applied consistently. It is all very well having directions, and here they are. How are they applied right across the States in a consistent manner and how do you monitor that?

**Chief Executive Officer of the States:**

I will start. I think, one, I rely on chief officers as accounting officers taking their responsibilities as accounting officers very seriously, and I think they all do.

[14:45]

Two, I then rely on the internal audit process so that when Internal Audit go into a department for an audit, after that audit, on whichever topic it is, we will be looking at relevant compliance. Now, if standards start to slip, then we start putting measures in. Certainly, we have a 1 to 5 grading scale; if I start seeing audits coming through of a 2, all audits of a 2 go to the Audit Committee and go to the Corporate Management Board. So it is a little bit of naming and shaming going on, which is not a bad thing, so long as it is managed properly. So if I start seeing it happening on a regular basis in a particular department, then clearly I act by getting that chief officer in to find out what is happening. There will be one case, which the Chair will ...

**Deputy A.D. Lewis:**

As far as you are concerned, it is consistent?

**Chief Executive Officer of the States:**

There is always room for improvement but, as far as I can see from the States internal control that comes through, it appears to be, and certainly from the audit reports I get I do not necessarily see one department being less compliant than another.

**Deputy J.A. Martin:**

So are you describing there the action that is taken if non-compliance happens and you find that out?

**Chief Executive Officer of the States:**

Yes.

**Deputy J.A. Martin:**

Yes, which was my next question, but you got the answer in without me asking the question. Thank you, John.

**Deputy A.D. Lewis:**

Okay. We have got a question here.

**Deputy S.M. Wickenden:**

In December 1994, the States Capital Programme allocated £600,000 for re-homing the Sea Cadets. The public has been asking whether the money was lost in the system for years and then wasted on the Port Galots scheme. How confident are you that the Port Galots scheme was progressed in full accordance with Financial Directions?

**Chief Executive Officer of the States:**

Well, clearly, in 1994, Financial Directions did not exist so the monitoring and management of capital from 1994 to 2005, when Financial Directions first came in, was very much left to the committee at the time. I cannot offhand recall how many committees would have been in place in that period of time and which department – I think it was Education, Sport and Culture or the Education Committee – it probably was the committee. It is very difficult for me to comment how they managed their capital at that stage, because we did not have a Corporate Management Board and each committee managed its money in its own way.

**Deputy A.D. Lewis:**

We have had 9 years of ministerial government now, so what has been going on for the last 9 years?

**Chief Executive Officer of the States:**

Yes. So post-2005 that budget has ... again I have not got the details exactly to help, but my recollection is that the majority of that budget was intact for some time. I think some money was spent on a feasibility study at one point in that period, but since certainly the last piece of work has been done, that is where the expenditure has been: on that budget in terms of feasibility work.

**Deputy S.M. Wickenden:**

Are you happy that they met the requirements in accordance with *Financial Directions* from that time onwards?

**Chief Executive Officer of the States:**

Well, I cannot really comment on that in detail because I have not been actively involved in overseeing or looking at the expenditure of that particular project. I think what I would say is that each accounting officer is clearly accountable for the expenditure in their capital programme so I would expect them to be able to account for where any money has been spent, whether it is on feasibility, pre-contract work or whatever. Then, clearly, if Financial Directions on capital expenditure needs to be applied, the question I would ask, if I was looking at it, is: "Well, what was it spent on? Why was it spent? Was it in compliance with Financial Directions?"

**Deputy A.D. Lewis:**

When this budget was originally proposed, it was supposed to be index-linked as well. So was that monitored at all? When they came to spend the money, what direction did they have to follow to spend that money? Because there is a lot of public criticism at the moment for a £600,000 budget which is allocated to a specific capital project, and has not been spent on the capital project and the money has now gone. So is this an example of how Financial Directions can go wrong?

**Chief Executive Officer of the States:**

The index-linking, I am not sure ...

**Deputy A.D. Lewis:**

It was in the original projet, that it would be topped up in accordance with costs at the time if it was not completed within a period.

**Chief Executive Officer of the States:**

That is not how it operates now, obviously.

**Deputy A.D. Lewis:**

No, but it goes back, as you know, to 1997.

**Chief Executive Officer of the States:**

Right. So I cannot comment on what happened at the time but, in terms of managing that budget, as I said before, I do expect accounting officers, if they have a budget for a project of £600,000, £800 or £6 million or £8 million, to be able to identify what it is used for, what the planning is behind that project and then the programme management element of expenditure against that budget. It does not matter whether it is a small project; in capital terms £600,000 is relatively small, I expect anyone to be able to account for what that expenditure has been on. Ultimately, if that £600,000 was for the development of a new facility, then one would expect a new facility. If not, they need to understand why not.

**Deputy A.D. Lewis:**

So are you confident that *Financial Directions* were followed over the last 9 years for this particular project?

**Chief Executive Officer of the States:**

Chairman, I cannot comment on that today because I have not reviewed it myself, but I would expect an accounting officer to have applied the *Financial Directions*.

**Deputy A.D. Lewis:**

Okay. If, let us say, they have not been followed quite as you would have liked, are you confident going forward, as a review of this, this sort of situation with Port Galots would not happen again?

**Chief Executive Officer of the States:**

Certainly, on all the capital projects that I have been involved with over the years, I would be confident in that. If there was one that is not compliant then we need to understand why not.

**Deputy A.D. Lewis:**

Yes. Because I know you have been involved with big capital projects with your previous life at T.T.S. (Transport and Technical Services) so this is not unfamiliar territory to you at all. So I was just wondering, if this was happening on your watch, it seems unusual because this is a capital project that is ring-fenced and should be reasonably easy to manage with *Financial Directions*, but it does not appear to have been.

**Chief Executive Officer of the States:**

Again, I am speaking without having the detailed knowledge of this particular project but, even in 1994, well, maybe 1994, it was feasible to identify that that much money could provide a new facility. Sitting here today or even a year or 18 months ago, when it was resurrected, I would have to question seriously whether £600,000 would get anywhere near providing a new facility. Now, if the answer is "*it was not going to*" then someone should have stopped it there and then because we should not have gone down a route. As I say, I am speaking without the knowledge of looking through the individual case here but, having done a lot of capital works, I cannot see how you can deliver a project of that scale for £600,000.

**The Connétable of St. John:**

Well, I have to declare an interest: I am both a member of the Unit Management Committee and a member of staff for the Sea Cadets, and you are absolutely right, £600,000, or the remaining sum of money 18 months ago, was clearly insufficient and they should have ensured that the necessary finances were in place before a penny was spent towards the new unit.

**Chief Executive Officer of the States:**

I think it is reasonable to say, within *Financial Directions* on capital, that some of that money could and should have been spent on proper feasibility to identify the true scale of the project and what was an acceptable delivery plan. There are a lot of issues behind that project, as I am sure you are aware being part of the Sea Cadet Association, but I certainly would not have an issue at all with some of that money being spent on proper feasibility and in proper design, but I think the reality is it is unlikely that you could do feasibility, design and procurement within that much money. So at some stage, once that initial work had been done, there should have been a stop point which said: "Now we have done the work, this is what it looks like, this is what it is going to cost. There is a requirement for X amount of capital in order to deliver" if that was the right funding route for it.

**Deputy A.D. Lewis:**

So with your knowledge of Financial Directions then, who should have stopped it at that point?

**Chief Executive Officer of the States:**

Well, the accounting officer is the person who should make those decisions at that particular point.

**Deputy A.D. Lewis:**

But because it was sitting in a trust by that stage, is it quite difficult then to identify who is accountable?

**Chief Executive Officer of the States:**

Again, not being directly involved with this particular project, it is quite difficult to comment, but my understanding is there were a lot of different parts of the organisation involved in it and someone probably should have said: "*Stop*" at an earlier date.

**Deputy A.D. Lewis:**

Is that where maybe funding tranches could be deficient because there was not a direction there saying: "Look, you need to stop. This is the person that is accountable"?

**Chief Executive Officer of the States:**

Anyone who has run a big project should be able to, very early, say: "*Something is not right here. Stop. Pull back. Refocus.*"

**Mr. R.J. Parker:**

John, do you get any sort of reporting of ongoing projects across the States which show where projects are at any particular time rather than, shall we say, problems coming out? When there is obviously a problem and it comes into the public domain do you have an ability with the common sense you have shown saying about the costs and how building costs have obviously increased that someone looks at something and says: "*Hang on, we have an issue here. Can we deal with it?*" and put the appropriate resources to deal with it? Is there any form of reporting of that nature?

**Chief Executive Officer of the States:**

Yes. All capital projects are reported on 3 monthly and 6 monthly.

**Mr. R.J. Parker:**

To yourself?

**Chief Executive Officer of the States:**

The Management Board receive the quarterly monitoring report but that is quite a thick report. What we do not do and do not have time to do is to go through each project line by line. I would expect any projects which are flagging up any difficulties to be flagged up by the relevant accounting officers.

**Mr. R.J. Parker:**

That is down to the accounting officer to provide that information but you get something ...

**Chief Executive Officer of the States:**

We get the quarterly monitoring report.

**Mr. R.J. Parker:**

You get a quarterly monitoring report.

**Deputy A.D. Lewis:**

On the basis of that and on the basis of Financial Directions that will be in the future are you confident that this sort of situation could be avoided?

**Chief Executive Officer of the States:**

I would hope so, even with the existing Financial Directions.

**Deputy A.D. Lewis:**

Which implies that maybe the Financial Directions were not followed adequately.

**Chief Executive Officer of the States:**

Coming back to what I said before, Chairman, there is a point where someone has to say: "Stop. This expenditure of money is fine for the right level of work that needs to be done." But at some stage someone has to say "Stop" because I cannot see how you could deliver that project for that much money."

**Deputy A.D. Lewis:**

It would appear that it is not clear who was that person that was going to say stop. You would have stopped it?

**Chief Executive Officer of the States:**

I would have stopped it. I stopped one recently.



**Mr. G. Drinkwater:**

Is it worrying, John, that by your own admission we have a set of projects that are too big in number for the committee to look at? Should we be prioritising this top agenda, and these that we cannot look at somebody else is going to have to look at them because otherwise the chances of this coming up again potentially lower down is probably more likely?

**Chief Executive Officer of the States:**

Yes. It is something we are starting to do now in that we have a capital sub group which is the chief officers who are involved in the main capital schemes because effectively it is myself and Ian Webb who look after the I.S. capital, Property Holdings who look after all property for all departments and T.T.S. who look after all the infrastructure. The 3 of us plus Health, because obviously they are a very big user of capital, sit on a capital subgroup. The role of that group up until now has always been about identifying and going through an allocation process for each year's forward look of the capital but that group will in the future start looking at more of the oversight of expenditure looking backwards rather than just looking forward.

**Mr. R.J. Parker:**

You mentioned earlier, John, about Internal Audit reviewing Financial Directions and making sure about the compliance. Does that mean that their priority is looking at the compliance with Financial Directions?

**Chief Executive Officer of the States:**

No. Their priority is looking at a particular topic or scheme that they are going to audit on an annual audit plan for Internal Audit, and I would expect the Chief Internal Auditor, as part of the scope of work, where it is appropriate to say,... whichever topic it is: "*Have Financial Directions been appropriately applied?*" I am thinking of one particular one last year where clearly the Chief Internal Auditor was not happy with a number of issues and brought it to my attention. I have a much closer involvement now with the Chief Internal Auditor, which is as a result of the C. and A.G. report on Internal Audit. So I have a monthly meeting with the Chief Internal Auditor and at that meeting if the Chief Internal Auditor feels that there is an issue arising then it can be brought to my attention at an early stage and hopefully dealt with on an informal basis. Clearly if it does escalate then it has to be escalated formally which is what I have done in the past.

**Deputy A.D. Lewis:**

That takes us quite neatly on to the scope you might now have for automated controls. I have a few questions about that, one of which was initially aimed at your I.T. (information technology) director who unfortunately, for whatever reason, is not coming.

**Chief Executive Officer of the States:**

I will try and answer if I can.

[15:00]

**Deputy A.D. Lewis:**

It is not a technical question but Robert has it for you anyway.

**Mr. R.J. Parker:**

What steps have been taken since the C. and A.G.'s report to embed new controls in the I.T. systems that States departments are using?

**Chief Executive Officer of the States:**

In terms of existing systems for control then not a huge amount of progress because the big system which we need to operate under, which is our JD Edwards Financial System, is coming to the point where it needs a significant refresh. Part of that work is about looking at systems and the application of modern systems to build in those controls to it. We need to, and is certainly something I am looking at now for the next capital programme or next programme of expenditure, is at what point in time do we now introduce or look at the phased replacement of that system so we have good management controls in place? Without that in place, without the technology to do it, then we have to rely on the paper-based system, which is the Financial Directions. I would see a lot of the content of Financial Directions being embedded into new financial information systems. The one area where I can give an example of how it is now working is in our Supply Jersey project, which is effectively procurement across the States. We have just introduced, and we are just in the process of introducing and rolling out across departments the Supply Jersey project. In the past, and I will touch on a topical subject that I know affects everyone, if you are going to have a sandwich lunch in here you could go out and buy sandwiches from anyone effectively who was providing sandwiches. You can no longer raise a purchase order for anyone you want. You can only go to one of 4 suppliers.

**Deputy A.D. Lewis:**

We had a similar conversation before you came in. **[Laughter]**

**Chief Executive Officer of the States:**

I raise it because it is very easy for areas of relatively small expenditure to have a very fragmented approach. The Supply Jersey project does ensure that you cannot go outside of that. If you do then you are going to struggle to get through the system, as I have witnessed someone doing last week, and it was a good test. There was nothing wrong in what they were doing, they were still

trying to use their original supplier - it was not sandwiches, it was something else – and they could not get to that supplier because the system was forcing them to suppliers that were on the list and they eventually realised that they had to comply with it.

**Mr. R.J. Parker:**

Do you have under that aspect of the suppliers on the list standardised pricing then for a particular contractor list?

**Chief Executive Officer of the States:**

There is. That is part of the new supply list. It does give you that price which is a fixed price that I would expect procurement to then oversee and monitor, and then when they go out to retender then I would expect them to be reviewing it. That is the beauty of the Supply Jersey project, that it gives us much better management information on what we are buying from whichever supplier who is on that list. In the past we would have had to rely on the Finance Department going into the system and looking up suppliers and then doing a lot of manual collation. Now you can just go straight into the system and get out, on a particular category, of how much you spent, where you spent it, by whom.

**Mr. R.J. Parker:**

On the I.T. side obviously with the procurement that shows something that is operational. You obviously have the Financial Directions. When people go in to look at new projects are they looking at that as being first and foremost the way in which the States as a body operates, and it is the finance side and so forth that falls out of it at the end when you are looking at any sort of systems? In private practice we look at things whereby the computerised systems are first and foremost to deal with the operation of the company, and the finance is something that comes out of that. In other words the actual day-to-day operations you are doing are part and parcel of providing that financial information, rather than having something that is operational and financial information as being separate, which gives you tremendous efficiencies going forward.

**Chief Executive Officer of the States:**

That is perhaps one of the problems that we have had in the past and our systems have not necessarily been geared to good quality financial information from the out. They have been quite good, some of them are very good in operational management but they have not then given the management information whether it is financial or otherwise. I look at Richard next to me here. Our H.R. system is a great example of not giving good management information. Prior to Richard joining if I wanted to know what our manpower numbers were, our sickness absence numbers were, or anything else, I would have to get someone to manually collate lots of bits of information out of the system through spreadsheets or whatever. That is a very inefficient way of delivering

management information formulation. Part of the work that Richard and his team have done through some very good analysts we have had and been able to recruit have produced an extremely efficient dashboard system. On a monthly basis H.R. can now, not through the system but through manipulation of information, automatically provide very good management information on our people. That is the first time I have ever seen that in 30 years of working for the States. A new system will hopefully be a lot slicker and it means that we will not have to do all that manipulation.

**Deputy A.D. Lewis:**

That takes us on to a question that Gary has got which I think you have answered it there.

**Mr. G. Drinkwater:**

Yes.

**Deputy A.D. Lewis:**

Are you happy to move on? Mike, you have a question.

**Mr. M. Robinson:**

I will just come back, John. You talked about either replacing or refreshing JD Edwards and have you had any indicative timescales for that work?

**Chief Executive Officer of the States:**

We have funds set aside for feasibility work in 2017. Obviously how we procure a new system will be very different to how we have done it in the past in that I very much doubt we would be going out for a very big one-off capital spend. With modern systems and modern technology, through the cloud, it will probably be an ongoing revenue expenditure basis. Work is starting in 2016. We need to look now at 2016 and beyond. I would like to accelerate it and bring it forward. If we are going to deliver efficiency and effectiveness in the States then part of it has to be down to having good management information, financial information, which I think I have described this afternoon. It is there but it is very difficult to get hold of. The sooner we can bring that forward and get good quality readily available financial information on the desks, which is very nice on the dashboard but that is taking quite a lot of people to develop each month.

**Deputy A.D. Lewis:**

You are completely committed to this eGov proposal, are you not? Our Chief Minister in the States upstairs only a few weeks ago refused to give any timescales on this type of activity but, I take it, your department is completely committed and you have a timescale in mind as to how to deliver these types of I.T. solutions such as the one you have introduced for H.R. If that is the

case are you able to give a clear timescale as to when these I.T. strategies and I.T. solutions are going to be in place?

**Chief Executive Officer of the States:**

Certainly on the big systems, we are delivering currently the H.R.I.S. (Human Resources Information System) system...

**Director of Human Resources:**

We are still in the tender process. We are coming down to the final supplier with a view to payroll and H.R. which cunningly at the moment are separate systems and do not talk to each other. It is quite stunning.

**Deputy A.D. Lewis:**

It is, rather.

**Director of Human Resources:**

That will be a leap forward and one of the things we are looking at is an integrated system.

**Chief Executive Officer of the States:**

We have the H.R. tender now running, so as long as tenders come back within budget we should be running with that one. The eGov project, one of the big work schemes is looking at tax and social security. That needs refreshing. We have set aside with the Social Security Fund, a separate fund that can fund the social security element of the social security upgrade and we have had funds put in the budget for 2017, I think, for the tax system. If I can I would like to bring that forward or certainly start the work earlier to see how we can bring that delivery forward. The other big one obviously is the JD Edwards system. However that is quite a big project, so that would...

**Deputy A.D. Lewis:**

You are saying that your tax system, i.e. your fundamental system for the Treasury, which incorporates income tax and other collectibles, will not be in place and running fully until 2017; is that what you are saying?

**Chief Executive Officer of the States:**

The tax and social security I would expect to be ... certainly the funding for it to be in 2017 where it is going to take perhaps a big system to implement. It is going to take some time to get it fully implemented and the JD Edward system I would like to bring forward because at the moment it is further out in the system. I know if Ian was here, he and I are both of the same view that the amount of resource we require to make that change happen, not just from the corporate

organisation but the technical bit to get it right is very big. We must not underestimate how big this project is going to be and the scale of it. Richard, when he came in, made my eyes water somewhat when he said he wanted a new H.R.I.S. payroll system, which he had implemented in his previous organisation, and "*this is the resource you require to do it.*" I blinked quite heavily but he was absolutely right. That is small compared to the scale of JD Edwards, tax, social security so I would not want anyone to run away with an idea that we are just going to go out and buy a system and plug it in.

**Deputy A.D. Lewis:**

Okay, but the payback from doing that is going to be significant. This is an invest to save process.

**Chief Executive Officer of the States:**

Absolutely, yes.

**Deputy A.D. Lewis:**

What you are saying is technically speaking and resource speaking it is impossible to do it any quicker because it is so fundamental to the operation of the entire States, is it not, the financial function of the Government?

**Chief Executive Officer of the States:**

Yes. If I had all the budget sitting there now then obviously we would be bringing it forward a year or 2 because we would be ready to run, but given the dates for which the money is now allocated it will take a couple of years to get these systems fully developed. If I can get feasibility money or money identified and put aside earlier then I would definitely do that. If I was prioritising money now I would put more emphasis on investment in I.T. than I might do in other areas. It is one that is going to need some ...

**Deputy A.D. Lewis:**

That is a political game. It is politics here now but there is a reserve there for exactly that purpose, to move things forward quicker for the benefit of the public.

**Chief Executive Officer of the States:**

Yes, and my very strong view, certainly on eGovernment as well as the big legacy systems, is the sooner we can get the investment in place the sooner we see the results.

**Deputy A.D. Lewis:**

Yes, and sooner you see savings.

**Chief Executive Officer of the States:**

Yes.

**Mr. G. Drinkwater:**

John, just one question. There has been some talk and debate about whether the premises the Government operate from are fit for purpose. One of my concerns is that in spending large amounts on I.T, which I do believe is a genuine need, should we be delaying, should we be evaluating this in line with any process decisions because are these systems fully transportable?

**Chief Executive Officer of the States:**

We are probably in the slightly fortunate position in that we have in terms of our systems 2 main data centres in the States. One is outsourced to a third party provider and the other one is based in Cyril Le Marquand House. It is a good modern system but it has probably got only another 3 years life left in it before it has to be replaced. It would not be my intention to replace it within the building or within our premises. It would be a third party provider, without question. We have one out already and the intention would be at the appropriate time or when the new systems will be developed in between that if they do go on the existing system then they must be transportable or be able to be moved on to the new one very quickly.

**Deputy A.D. Lewis:**

Are we out of time?

**Clerk, Public Accounts Committee:**

Your witnesses for your second hearing are outside.

**Deputy A.D. Lewis:**

Shall we stop?

**Clerk, Public Accounts Committee:**

It is up to you, Chairman. If you can wrap up...

**Deputy A.D. Lewis:**

A final question, and it is really aimed at Richard. It is H.R. related. We have been looking at putting H.R. matters on a statutory footing as well, I believe, is that right?

**Director of Human Resources:**

Yes. A code of conduct with policy sitting underneath.

**Deputy A.D. Lewis:**

Exactly, yes, as a statutory position.

**Director of Human Resources:**

Yes.

**Deputy A.D. Lewis:**

What is your timetable for doing that?

**Director of Human Resources:**

Employment legislation is lodged, maybe 6 weeks? From that the policies that we have already harmonised my belief is that they would sit underneath so that they can still be used out there by the departments. What we need to do is put that umbrella over the top and say: "These codes of conduct are applicable and the law applies to these ones." I think you are looking at things like recruitment, absence management, performance management, the key policies.

**Deputy A.D. Lewis:**

Will those be accessible and understandable, easy to understand and small?

**Director of Human Resources:**

We could aim for something like that. They should be easy to use. It would be true to say even the policies that we have harmonised at the moment which is a huge improvement just to have one set that you can say absence management is managed in the same way across the whole of the States of Jersey that is phenomenal.

[15:15]

It is still quite a long policy at the moment. We have another iteration to go through to make that even easier and who knows, we might even take it online. Quite exciting.

**Chief Executive Officer of the States:**

My final comment will be they will not be public in that [hard copy] format. It will be electronic. It will be online.

**Deputy A.D. Lewis:**

Excellent. Thank you very much for attending today. That has been really useful and obviously you will get the opportunity to see our draft review before it goes anywhere else and we will be looking for further feedback from you as we progress.



**Chief Executive Officer of the States:**

Are there any other questions you want to address to the I.S. director because I can get him in at another time or ...?

**Deputy A.D. Lewis:**

I think, to be honest, you have answered them very well between the 2 of you so I do not feel the need.

**Clerk, Public Accounts Committee:**

You could follow that up with a letter, Chairman, if there is anything else.

**Deputy A.D. Lewis:**

Yes. Clearly I.T. is a very, very important part of this whole subject and I think that has been clarified, particularly in the last few questions. I can see your burning desire to get on with this but maybe there are some obstacles in your way, not least finance, but perhaps as States Members we can ask difficult questions about how they can be funded more quickly. That is fundamental to reform. Thank you very much.

[15:16]