



OneGov Review Panel

OneGov Review

Witness: The Chief Minister

Friday, 21st June 2019

Panel:

Connétable K. Shenton-Stone of St. Martin (Chairman)

Senator S.C. Ferguson:

Senator K.L. Moore:

Deputy K.F. Morel of St. Lawrence

Deputy R.J. Ward of St. Helier

Witnesses:

Senator J.A.N. Le Fondré, The Chief Minister

Mr. C. Parker, Chief Executive

Ms. C. Madden, Chief of Staff

Mr. T. Walker, Director General for Strategic Policy and Performance

[16:02]

The Connétable of St. Martin (Chairman):

Thank you for attending this OneGov Review Panel on a lovely warm afternoon. I think you are all very aware of the protocol and procedures so I will start by introducing the panel. I am Karen Shenton-Stone, chair of the OneGov Panel.

Deputy R.J. Ward of St. Helier:

Deputy Robert Ward. I am on the panel.

Senator K.L. Moore:

Senator Kristina Moore. I am a member of the panel.

Senator S.C. Ferguson:

Senator Sarah Ferguson, member of the panel.

Deputy K.F. Morel of St. Lawrence:

Deputy Kirsten Morel, member of the panel.

The Chief Minister:

Senator John Le Fondré, Chief Minister.

Chief of Staff:

Catherine Madden, Chief of Staff.

Chief Executive:

Charlie Parker, Chief Executive.

Director General for Strategic Policy and Performance:

Tom Walker, Director General for Strategic Policy and Performance.

The Connétable of St. Martin:

Thank you. So the first question this afternoon is: is OneGov a concept or a project?

The Chief Minister:

I think the high level comment is it is a series of initiatives to generate a transformational programme for the entire organisation and at that point I shall hand over to Charlie, I guess, to see if he wants to elaborate on that.

Chief Executive:

Yes. So I mean it is a terminology to try and bring the whole of the Government together. If you recall from some of the documents that have been provided that is how we framed it when it was launched in March 2018 but it is not a single programme. It covers, as the Chief Minister said, a range of things from finance transformation, organisational change, cultural and behaviour and leadership programme reviewing and refreshing our I.T. (information technology) infrastructure, how we operate as a single organisation, how we communicate and within it it is then how we contribute to the wider economy. As part of that, how do we improve our customer services as well as our approach to the way in which we streamline our business to generate a modern, fit-for-purpose public service in Jersey.

The Connétable of St. Martin:

Thank you. Chief Minister, is it your personal view that OneGov is the right way forward for Jersey?

The Chief Minister:

Yes, is the short answer. The longer answer, if you want a longer answer, is that ... I mean a number of us have been crying out for organisational change and cultural change in the organisation for a very long time. I am delighted that we are seeing that change happening. I can expand or you may have some other questions.

The Connétable of St. Martin:

No, that is very good, thank you. Sort of leading on from that, has your view changed since your time in Scrutiny noting that the Chairmen's Committee, of which you are a member, concerns over the extent of power that has been taken away from the Assembly and been given to the chief executive officer and the Chief Minister?

The Chief Minister:

I was president even on the Chairmen's Committee but ... so there is an issue between observations around ... that probably was around the P.1 debate and do not forget the States ultimately approved it.

Senator K.L. Moore:

But you did vote against it.

The Chief Minister:

Yes. I cannot remember the exact split because I seem to recall there were 2 areas, one of which ... anyway. There was one area we were supportive of and there was one area we were not supportive of but the States had made a decision. But if you go back to the principles of organisational change and transformation, and I have been very keen on organisational change for a very long time and I think there is anecdotal and there is evidential ... the need for that change. I can look at everything ... well, I will give you some examples if you like. Hopefully, we would not dispute the fact that Children's Services were not in a good place. I would consider that to be evidential. You cannot have the Care Inquiry and everything else and claim that Children's Services were fit for purpose. So I would then suggest if you look at things like physical infrastructure, property, because that was an area I was experienced in, the demand for change had been there for a long time. It came through ... I cannot remember whether it was P.73 or P.95 or something from 2005. That was the proposition that established Property Holdings as to why ... which was before I was in politics, which again was setting out the reason to consolidate Office of State to rationalise things which had deficiencies. Bluntly, in the last 10 years I would say it feels like there

has not been that much progress. When Charlie first started, when I was in a similar position, he came and spoke to corporate of the day, we had some one-to-ones. I gave him the original draft that I had been working on many years ago with the property plan ... of the proposed properties of the strategy. Here we are now in 2019, we have moved offices. We have, therefore, started that consolidation process. That has sent a message about transformation. Also then we are actively exploring with the full support of the chief executive, which is good - because it was not always necessarily there in the past - to move that matter forward and to achieve that overall consolidation and those savings that come out of that. So if you then apply that analogy of the physical infrastructure; the example I will use is Overdale. If you look at the state that is in now where you have got at least one building that does not have a roof on, you have got a number of buildings up there that are boarded up. Certainly an officer that took us around some time ago said - because I remember it - saying: "I remember it being about two-thirds derelict when we started." He said: "Well, it is probably about three-quarters derelict now." That is really a systematic thing from ... we have never maintained things and things have moved on. We have never invested. You apply that physical analogy to the other non-physical infrastructure of the States organisation, whether that is H.R. (human resources) and things like that. We have underinvested in those areas as well and that takes you back to the cultural transformation, the bullying side; all those types of things where you are seeing the need for a huge amount of change coming through. I will stop there.

Senator K.L. Moore:

If I could perhaps pick up on an example that you used, and perhaps it was just an unfortunate one, but if I recall correctly the Overdale example ... until you became Chief Minister there were plans to rebuild the Overdale site.

The Chief Minister:

For mental health.

Senator K.L. Moore:

Yes.

The Chief Minister:

That is right. Can I tell you when those plans started? They started in 2009 when I was at Property Holdings. It was only in 2018 they saw the light of day again. You work out the years on that.

Senator K.L. Moore:

Then they seem to have disappeared again.

The Chief Minister:

No, they have not disappeared. The whole point is mental health is now going to be incorporated into the health provision and, as we heard earlier this week, last week, cannot remember now, from that Scrutiny Panel the health provision model is changing. It will include a mental health provision. But what I am trying to say is, those plans were originally contemplated when I was in Property Holdings back in 2009 and somewhere I have got the files. So that delay factor has shown that we have been in a sort of morass of not doing things.

The Connétable of St. Martin:

Thank you. I am just going back to the implementation. Had you been the Chief Minister at the time when P.1 was introduced, would you have endorsed the current pathway for the implementation of it?

The Chief Minister:

If I go to the principle of transformation and cultural change, I am fully behind it. I am not going to speculate on what I would have done or what I would not have done in that position.

Deputy R.J. Ward:

You said that OneGov is a series of initiatives. I cannot read my handwriting. How is it tracking against its target? So there must be targets for these initiatives to be implemented. How is the OneGov project tracking against those targets that you must have? Are they on target or are they behind or are you ahead? Are you where you imagined you would be?

The Chief Minister:

I think at the high level we know that some of the target operating models are slightly slowed down ... part of that is because of political decisions. I will hand over to Charlie to give the detail on that but apart from that they are moving forward.

Chief Executive:

So each of the work streams that are involved in the various initiatives have a degree of programmed project planning which has milestones, et cetera. So taking the target operating model we originally had a programme that we had hoped by May 2019 to be complete. Decisions have been taken, some of them, as the Chief Minister said, through the Assembly. For example, the Justice and Home Affairs arrangement which has pushed that right back. We have also had in some instances in that particular area some logistical problems about getting some of the experience on-Island to be able to help with the job evaluation process. I think you have been taking some evidence from colleagues who may well go into more detail about that but that has created a bit of a blockage around the jobs under the new target operating model being evaluated appropriately under the new terms and conditions arrangements for said post. The third thing is that we have had to listen to

some of the consultation which has come back where staff have genuinely ... we have come at it from a strategic point of view where we have given a position around the principles and then working through with the management of the relevant department and staff we have made some changes, which has allowed greater buy in of some of the opportunities for making more sustainable change. We have a revised programme now. The expectation is that that whole programme will be completed by the end of this calendar year; preferably by October, November at the latest. Now, in an ideal world I would rather have got that through quicker because I think uncertainty does not help staff. The reality is we have been listening to staff who want the thing to be completed but they also want to be part of it so they own it. So there is an example where we are behind where we originally wanted to be but each of the individual target operating models have a tracker. They have clear milestones from consultation through to implementation and within that the recruitment and selection processes that are done. Somewhere like the office accommodation, which is another one, there is an accommodation board which meets, which again has a programme, has a series of timelines, has a budget, all of which feeds back into the Government ... sorry, the Council of Ministers' Political Oversight Group and that is tracked and that has a series of outcomes that we can report on for that initiative. That is what we do for all of the various aspects of the different component parts.

Deputy R.J. Ward:

Those target operating models, are they fixed or would you consider them to be a fixed model to be implemented?

Chief Executive:

Well, they are fixed in the sense that the principles are. So delaying the number of management tiers, what you expect to be done in terms of driving decision-making down lower into the organisation because that meets some of the problems that we have experienced with people that do not feel they are empowered to be able to do that. Where they have not been fixed is to suggest that going right down to the level 5, 6 grades, or tiers sorry, that you have got all of that being determined by a one size fits all. So we have had consultation. We are making amendments where it is appropriate and that has been fed through. So the most recent consultation document for example on Justice and Home Affairs has just been circulated. We are doing the same on Health.

[16:15]

We have got others though, like the Customer and Local Services where it is completely implemented now. So that is already done and we do not expect any problems with that going forward because staff contributions have resulted in all the appointments being made and everything in place.

The Chief Minister:

You might want to refer to the savings net and gross on that just on the restructure.

Chief Executive:

Yes, and obviously we have a programme of savings which is due to be built into the efficiency plan, which is going to be reported through the Government Plan. Obviously, where there are changes made, sometimes that may impact on it. So Justice and Home Affairs; the changes that were agreed in the Assembly have reduced the amount of savings that will be made on that target operating model. In other areas we will look to drive through further efficiencies at a later stage. So by way of example, some of the stuff we are going to do over the strategic policy will see further savings come at a certain point but not in the first year.

Deputy K.F. Morel:

Regarding office accommodation, obviously one of the quite large differences now is that there has been hot-desking and I understand that is expected in Broad Street, et cetera. I was wanting to know how is that coming along, how are you measuring the success or otherwise of that?

Chief Executive:

So we are doing an utilisation survey. We have got, if I am being honest, some further adjustments that we are going to make into Broad Street, not really about hot-desking but more about ergonomics. So if you go into the ground floor there is not a lot of natural light which has created some tensions I think for some people about how that works. So we have definitely got an acknowledgement that we can get more people in. The question is, do we reconfigure some of the floors downstairs because the other question is, have we got enough meeting space, and therefore use that space differently? We are looking to bring forward the proposals for that on an interim basis over the next couple of months which may see some of those people relocated elsewhere into the building, which has got more natural light, and then deal with certain types of uses on the ground floor which is more appropriate. So the general principle is, it is working. We think we could get greater levels of utilisation and that will see more numbers go in there but that will be determined by some of those wider building management issues that I have just referenced.

Deputy K.F. Morel:

The reason I asked is because I read a couple of reports recently about hot-desking decreasing productivity rather than increasing productivity especially where they are not ... you know, there is no easy access hot-desking management facility available to know where to sit, where to go straightaway; time can be lost. So if you are only measuring from a utilisation perspective rather than a productivity perspective how do you know whether ...

Chief Executive:

Well, the key bit for productivity is about the use of I.T. So one of the troubles that we have is we do not have a standardisation process for I.T. and mobile I.T. So you have, unfortunately, at the moment some fixed terminal arrangements and you have also got, as part of our longer and wider improvements in I.T. to roll out a uniform operating system. So we are going to look at Office 365, which I think we have talked about for ...

Deputy K.F. Morel:

But that was put on the back burner, I believe. That is wrong?

Chief Executive:

No, it is not. It has been brought forward. It has not been put on the back-burner. The overall rollout for the whole of the public service is paused while we did the business case.

Deputy K.F. Morel:

So was that a pause?

Chief Executive:

The first number of licences, 500 licences, is already paid for and is being rolled out. So what we need to get better productivity is the accommodation and the technology and the flexibility that that affords to be able to improve it. Anecdotally - and we will do some more pulse surveys on that - hot-desking is working but there are pockets where people feel it is not ideal for them for reasons ... some of it is ergonomics and some of it just people do not like it, and that is what it is and that will always be the case.

The Chief Minister:

The reason I shook my head, which is not on the microphone obviously, is that, yes, it has not been stopped which is ...

Deputy K.F. Morel:

It was paused though and that was the point. I knew last year it had been taken offline.

Chief Executive:

It was paused though for the reason of getting a comprehensive business case to roll it out across the whole organisation and get the funding, and that is now being finalised and the Council of Ministers have already had a presentation about that. That will form part of the Government Plan and the rollout for the financing of it.

Deputy K.F. Morel:

Okay, at long last.

Deputy R.J. Ward:

Sorry, can I just because one of the things we are trying to do - I am trying to do rather than many others - is get our head around the target operating model as is now and we will all fit in later on. So the target operating model structures for where we are now, for those top tiers of management, are fixed and ready to go.

Chief Executive:

So all of the tier 1 and 2 are done and rolled out and that was achieved earlier. We are in what we call 3 to 6 level now and 6 ... being in some areas because you have got manual workers or you have got in hospitals a different calibre. The idea is you have a set number of management layers.

Deputy R.J. Ward:

But what I mean is just for some consistency for the workforce they will remain as they are. There is not going to be any movement in those models so at least the rest of the workforce have some sort of consistency coming forward from those top target operating models.

Chief Executive:

The core principles, yes, but we also have had some very sensible advice in the consultation from front line staff which have made some suggested changes. So a good example, in Customer and Local Services staff made some recommendations and changes to some of the structure that were given from levels 3 to 5 and we took on board those and implemented those. So what we are saying is: here is the framework, staff are going out, we are customising it, it is not a fixed model in every department because they are not all the same. So Tom's department has roughly about 60 people. G.H.E. (Growth, Housing and Environment) has 800 people. There are different issues facing the scale. Customer and Local Services is big but again it is not the same as Justice and Home Affairs. So what we have not got is every department being a monochrome of itself.

Deputy R.J. Ward:

The reason I ask is because we were talking to Team Jersey earlier and they seemed to be trying to get into the crux of what is unsettling the workforce because it is very unsettling and some of the reasons why they may be unsettled - and this notion that because we have got constant change - there seemed to be a belief that the target operating models we have would still be in flux, and the phrase was used "in flux", was it not? It will be continually in flux but you seem to think that perhaps we are reaching that point where that is not going to happen.

Chief Executive:

Well, my personal view is you ... and it is not easy but change becomes the new norm in that you will always be flexing your organisational structure depending on which politically and organisationally you want to do. So by way of example, technology is changing hugely, as you will know, and in 5 years' time you would not have the same fixed organisational model for all departments where technology will make changes. What we are saying at the moment though is we have a settled approach for this phase but for me it is not always about where people sit. It is about what they do and therefore there are going to be some really important issues around how do you get people's thinking and their approach to operating together, which is out with an organisational fit. So I was just asked then about: have we got maximum productivity? No, we have not. Do we have a framework which could give us improved productivity? Absolutely. Will that be where we finally end up, for example, at the end of this term of Government? No, I would expect that to be more efficient, more effective. So technology will come on stream that will and should improve a lot of our transactions and arrangements. That is partly why it will be in a state of flux on an ongoing basis but if you want some of the parameters or the frameworks those principles have been set and they are, at this moment, what we are working to.

The Chief Minister:

I think probably what you are looking for is that ... bearing in mind what Charlie said about the target operating model structure, hopefully it is going to sort itself out by October-ish or certainly end of the year that will then bring ... it will stabilise things down. But what every organisation, certainly in the private sector, does - these days should have a kind of attitude that it is going to be going through a change process - it will be changing in some shape or form all of the time because that is the way the world is these days. You are not going to complete this at the end of this year and that is it for the next 15 years. There is going to be ongoing change but the initial shock, as it were, of the restructuring that is going on, will it stabilise? Hopefully by the end of this year. Does that make sense?

Deputy R.J. Ward:

I think so.

Chief Executive:

I mean I will give you a very simple ... I have done various different phases of change in different organisations and often they get revamped or refreshed at points. In over a 5-year period my experience is that is normally about the time it takes to implement, deliver and see the outcome of a significant amount of change. However, people will change some of those activities, some people will politically decide they want to do things differently. There will always be views which input into how that model is then rolled out. So I do not think it will ever be fixed for ever.

The Chief Minister:

But when you are going through change it is unsettling.

Deputy R.J. Ward:

Sorry, I do not want to dwell too long because we are going on ... move on. It is just thinking about the uncertainty for those below the current change is real but let us move on because I was taking too much time on one thing I think unless ... sorry, Kristina.

Senator K.L. Moore:

Yes, I did want to just pick up one final point because it was acknowledged in the earlier hearing we had today that it was somewhat of a failure of the change programme at the moment that the delay is causing a severe impact on those people who are unsettled by the change and who do not know what their future is because if we put ourselves in the shoes of those people, they have bills to pay, mortgages to pay, children to look after and wish to know what their future is. Of course, that delay has a severe impact on those people which is palpable to us when we look across the table at colleagues who are speaking to us and some clearly understand what their future is in the organisation and others are clearly very insecure about that.

The Chief Minister:

We made the point earlier, obviously one wants the pace of change ... part of that has slowed down because of the feedback from the consultation process but part of it has also slowed down because of political involvement. If you looked at the restructuring for Justice and Home Affairs that was a political decision taken by the States but there will be a consequence to that. So there are ways you can look at it.

Deputy K.F. Morel:

It was only because we wanted to stop the chief executive and not breaking the law by going through the changes which ...

The Chief Minister:

No, but ... well, I accept the point there about ... all of us agree that you have got to make sure the laws are in ... well, the point is about making sure the laws were in place and do you remember, the Council of Ministers I think accepted that section, that is my recollection anyway, but the point is that there is a consequence from that which does slow the process down which causes the unsettling side. Anyway, I mean that is where we are.

Deputy R.J. Ward:

I am sorry, that is a good thing if the process is considered to have been not quite ... so that check and balance has to be there.

The Chief Minister:

Yes, exactly. So it not necessarily a failure of the change programme. There is a check and balance in it and pay protection and so on.

Chief Executive:

The term "failure" I am not ... I do not know what colleagues said to you earlier on about failure. What I think I recall is that the report that was done, which was a warts-and-all report, identified this as being a concern and it is rightly a concern, which is my point. I said earlier I would have liked to have got this implemented quicker but on the one hand we have colleagues who are also saying: "We want this to be a transparent and proper process which allows staff consultation to be taken seriously and for the comments of staff to be tangibly contributing to any changes." So we have a number of areas. So finance is a good example where we started early, we paused the process, we went back and revisited in the light of comments from the finance, and we did quite a lot of further work on the finance model. It has come out far better and, interestingly, we are talking to colleagues who were very uncertain at the time and it did cause a lot of concern but once we had gone through the process and then people said: "Oh, it is not going to be 10 per cent of all staff lose ..." sorry: "90 per cent of all staff lose this or 60 per cent of all staff lose that", plus went through the whole thing about pay protection. It is the most generous pay protection scheme I have ever seen professionally here. People started to see that there was a ... I am not saying it is a negative thing. I am just saying it is a very generous scheme ...

Deputy R.J. Ward:

It used to be better but it had been negotiated just before this started.

Chief Executive:

Well, it was not renegotiated by myself. All I am saying to you is that that has calmed the organisation down. So where, for example ... I have just given a couple of areas where people have been concerned.

[16:30]

C.L.S. (Customer and Local Services) was a good example. I did a visit there the other week and it was a very, very different issue about morale but they felt engaged. They felt we had done it in a way that was appropriate. So as a consequence of that sometimes you have to make managerial decisions as a leader to take account of that and there is a trade-off. My view is: is it better to have

listened and supported and acted on that feedback from the consultation openly so that people believe in it than to do something where you just railroad it through.

The Chief Minister:

As an anecdotal, and it is anecdotal, there is not a piece of paper that says this; I do have meetings with just me and the relevant officer in the room and one does have the odd conversation and say: "How are the changes going?" and things like that or alternatively is people I know separately who have had that conversation and the message that I do get back from those ... in particular the ones I am thinking of, is that while they are saying: "Yes, it has been difficult or it has been unsettling" it needed to happen. One of them, which I was quite interested about, yes, it needed to happen irrespective of what happens to me.

Senator K.L. Moore:

Earlier, if I could, I think, Chief Minister, you asked for figures to be given for the savings that have been derived from the change at C.L.S. so is it a good point now to have that as we are talking about ...

The Chief Minister:

Yes. I think the gross was £1 million and the net is £400,000 from the restructuring.

Senator K.L. Moore:

Out of a budget of ... if you could ...

The Chief Minister:

No, this is just the restructuring, do not forget. It is not all savings. That is just from the restructure.

Chief Executive:

Because obviously you do not make savings out of the budget of social security benefits, do you?

Senator K.L. Moore:

No, the operating costs.

Chief Executive:

So the operating budget for C.L.S. is quite small. The budget net and gross includes benefits which is huge so it is the same with operating budgets in other areas as well. What we are planning to do is we will be able to give you the net contributions once we have completed all of the various discussions. I think we have offered that to you before and to P.A.C. (Public Accounts Committee) as well. The nature of that though will be somewhat later because we are going through a slightly

delayed process. Equally, in the calculations for the overall efficiency programme I think you may have raised this through the States in a question. One of the key things is, it is not all being driven by headcount. It is about, how do we make public services more effective and more efficient through their delivery? So, by way of example, we are doing some quite interesting things in health. You have heard that in the presentation that we made on the hospital last week, which is not all about headcount. It is about the way in which we do an awful lot of our day-to-day business. Some of it will be by headcount and my expectation is that this will be the first phase, we will come again. Because the Council of Ministers will set, as part of the Government Plan, an efficiency programme for the next 4 years. We are not going to achieve that in one particular moment as part of an organisational change linked to the One Government.

Deputy K.F. Morel:

Talking about fixed; can you put a number on the number of people who have left the organisation as a result of One Government?

Chief Executive:

I cannot at the moment because we have not finished that but what I can say ...

Deputy K.F. Morel:

No, but so far.

Chief Executive:

So I will just give you a couple of figures which are useful indicators. In May 2018 turnover in the organisation was about 12.7 per cent. In May 2019 it is about 8.8 per cent, okay? The numbers we will be able to give you once we have completed department by department, what we will have left, it is inevitable that there are sometimes people who have left and some have voted with their feet, some have been either made redundant or had decided to go because they do not want to be part of the organisation, but those numbers I think are probably lower than people think at the moment. The key for me is not about headcount; it is about the efficiencies.

Deputy K.F. Morel:

No, I appreciate that but the reason I ask that is because I also wanted to ask, if the States of Jersey does ask someone to leave because their job is no longer going to be there, what kind of support are they given?

Chief Executive:

Well, first off we have redeployment process. So we are looking and we therefore suspended large amounts of recruitment, which is one of the challenges about having to bring people in to deal with

things on short-term contracts. We are creating, therefore, a redeployment process. That will include training and support where necessary. The second thing is, where people choose that they do not either want to do that or it is not appropriate, we have got a whole series of support for them as part of our employee assistance programme and that will include about finding work in other parts of the Island's economy. But before that we also have introduced ... and finance is a very good example where we have done a lot of support for staff in order to get them to be able to feel confident, particularly if they have not had an interview in 10 or 15 or 20 years to be able to go through that process. So we have done support for C.V.s (curriculum vitae), applications. We have done mock interviews for people and we have done coaching. That process has been done in other areas within the organisation as well. So I would not say you are going to cover every base but I think we have done a lot more than perhaps was done ...

Deputy K.F. Morel:

Would People Services be the place to go to find out more about that?

Chief Executive:

People Services have provided some of that. In the case of the financial services piece we also did it with our transformation partner. It is one of the K.P.I.s (key performance indicator).

Deputy K.F. Morel:

I am just thinking from us as a Scrutiny Panel.

Chief Executive:

Yes, and we will be able to provide what we are doing to help and support that in detail.

Deputy R.J. Ward:

Can I just ask on that topic if you do not mind : do you have the number of how many staff will be working on a lower grade after these changes?

Chief Executive:

Once we get through we will be able to give you that but we do not ...

Deputy R.J. Ward:

So it will be on pay protection then their wage will drop?

Chief Executive:

Yes. We will have those numbers when we finish the whole ...

The Chief Minister:

In 3 years' time.

Deputy R.J. Ward:

Yes. Well, pay protection is only for one year, is it not?

Chief Executive:

No, it is for 3 years.

Deputy R.J. Ward:

For 3 years full pay protection. Okay. Well, that is a start.

Chief Executive:

Yes, and that is why it is ...

Deputy R.J. Ward:

But after those 3 years there could be a significant drop. Do we have a figure on those?

Chief Executive:

Well, we do not at the moment for the reasons that we have not finished the process but we will be able to give you that.

Deputy R.J. Ward:

Do you envisage, because there will be consistent savings, as you call them, that at the end of that 3 years when people see a significant change you may get more leaving the organisation?

Chief Executive:

Well, I think I have said to you before we have quite an interesting demographic sort of issue facing the organisation in that we have a lot of people in the age profile between 58 and 65 that distorts the normal profile that you would expect in a public service where they have not been through so many changes. So if you take other jurisdictions and other places, including the U.K. (United Kingdom), they have been through over a period of time quite significant changes that has seen a demographic profiling lower quite a lot because older, more experienced people either come to retirement and/or decide to go earlier for whatever reason. So if you are a year off retirement you might decide to take an opportunity. Here we have a significant bulge which will account for again a large number. That process when you factor it in creates - going back to what I have just described - a different set of issues going forward for redeployment, for what the organisation can do to take out cost if it chooses to without necessarily affecting people. So if posts become vacant, there is no

one in them, there is no pay protection and/or people have taken retirement you can reconfigure that and that is without affecting the well-being of the workforce. So there are some other things here which are quite unique.

Deputy R.J. Ward:

So you can have less posts?

Chief Executive:

You could have, yes.

Deputy R.J. Ward:

And less people doing more work.

Chief Executive:

No, because automation is a good example. So over the next 5 years we will see more processes automated. If I just give you ...

Deputy R.J. Ward:

Would you not lose some really valuable experience?

Chief Executive:

Well, you could lose some but that is the other piece of what we are trying to do through Team Jersey, which is to create a more sustainable workforce with a lot of more succession planning which we have not been doing. So indeed we lost people last ... before I arrived where people had not done that where we lost experience. So my view is automation will come in at a key point. The profiling of automation and how and what that does for our demographics makes that quite an interesting opportunity which may not mean that you are losing jobs in the way that you have just described.

Deputy R.J. Ward:

Sorry, I went over again ...

Deputy K.F. Morel:

It is the not the easiest to change ... no, you go whichever way you think this ...

The Connétable of St. Martin:

No, that is all right. Do you want to ...

Deputy R.J. Ward:

It is about the implement ... sorry, this was the question I was meant to be asking, sorry, Chair. The implementation of OneGov, is it led by a Council of Ministers or officers?

The Chief Minister:

Implementation?

Deputy R.J. Ward:

Yes, that is the implement of the series of ...

The Chief Minister:

Well, the implementation is, as far as I am concerned, the responsibility of implementation of ministerial policy.

Deputy R.J. Ward:

Okay. Well, that is a straight answer.

The Chief Minister:

So Ministers do not implement things.

Deputy R.J. Ward:

It has caught us up a bit of time on that answer.

Deputy R.J. Ward:

It is 6, which is ... okay, 7. Okay, it is me again. The costs for implementation are tracked against a planned budget. Do you have a planned budget with the concept of OneGov and the implementation on that?

The Chief Minister:

So the indicative costs at this stage are around £8 million to £9 million and I will just make the point I have made previously which is that while that may sound quite a lot of money and particularly when you bring in specialists to do certain pieces of work, provided we achieve the efficiencies that come out of it; and do not forget it is not all about efficiencies because it might be about the building and stuff and things like that. It is about culture but overall as long as we achieve the efficiencies and, at the moment, we are saying that we have got to achieve at least £30 million because that is the deficit we are facing, we are making significant inroads into that figure then that would mean your pay back is good. So for the sake of argument - this is illustrative and it is not backed, if that makes

sense - if you spent £1 million and you save £1 million ever after that is one hell of a payback as far as I am concerned. We are not on that front.

Chief Executive:

So there is an interesting conversation about what resources are being used here because it is not new money, it is using existing money.

Deputy R.J. Ward:

That money is from the previous M.T.F.P. (Medium Term Financial Plan) workforce organisation process.

Chief Executive:

No. Some of it is about the old M.T.F.P. process contingency. So you will have seen ministerial decisions that have been given out for all sorts of changes, temporary staff, contracts for partnerships and they have all been funded. Some of those are one-off costs, as the Chief Minister has said, and therefore they contribute and will contribute to a wider longer term set of efficiencies. The second bit is there will be some investment decisions in the new Government Plan that will be very specific which will be either growth or the Government Plan being put together ... Ministers have made decisions to stop doing some things and to utilise the money for some of the changes that are being implemented as part of modernisation. Then finally some of this will come through efficiencies on an invest to save principle. So you will not necessarily see in some areas the return on your investment in years 1 and 2 but you will see it in years 3 and 4 and 5 and I have just talked briefly about some of that today. The bit that you have talked about for modernising the States ... so workforce modernisation monies have been utilised for some of the pay deals that have been agreed and for some of the changes that are being implemented through the work that is currently being negotiated within individual unions. Some of the W.F.M. (Workforce Modernisation) money was put in to those who agreed W.F.M. proposals at the beginning and again that money also includes an allocation which I think was previously agreed in the M.T.F.P. for redundancy and voluntary severance arrangements. So there is a series of budget heads that are being used in that area that they were meant for. What we have got in some other areas is existing resources just being used more effectively to deliver changes. So we are not necessarily going outside of the budget envelope for departments but we do have some areas which are requiring more investment because there has been an underinvestment over a period of time. By that I mean not the last M.T.F.P. period. In some cases going back 10 to 15 years.

Deputy R.J. Ward:

So about £8 million or £9 million has been spent so far and you are hoping to get efficiencies ...

The Chief Minister:

No, that is the projected.

Chief Executive:

So £8 million or £9 million was ...

Deputy R.J. Ward:

That is projected ... by the end of the changes for ...

Chief Executive:

So we have not got a number for you for the reasons I said earlier and I know everybody wants to see that. The Chief Minister has given a commitment that that will be made public when we have gone through this process. At the beginning we talked about those sorts of numbers as being what will be required to implement this phase of changes and that is what we expect. I give you a similar example; Guernsey estimate £10 million for their restructuring and reorganising. So these are not unusual numbers.

The Chief Minister:

It is indicative, it is not definitive.

Deputy K.F. Morel:

When it comes to the Government Plan, Chief Minister, have you had to put in many bids into the Government Plan in order to help fund the transformation programme?

The Chief Minister:

Sorry, when you say ...

Deputy K.F. Morel:

Well, with the Government Plan because you are all now squabbling over money and wish to ...

The Chief Minister:

Discussing constructively I believe is the right expression.

[16:45]

Deputy K.F. Morel:

Have you had to, because I assume it had come through your office, put in many bids to support the chief executive in the OneGov programme?

The Chief Minister:

In terms of the £8 million to £9 million, as we have been saying, a lot of that has been funded out of existing resources. If you are looking ahead in terms of spending pressures what you are then going into is the kind of the investment. If you want a better expression, the investment decisions. Now, they fall into several categories. So let us use mental health as an example. Hopefully, everyone around this table would accept that has been a poor relation in the past and therefore if you are going to improve them, over and above business as usual expenditure, that means there is an extra spending bid that is going into the budget, okay. You will then have other bids that are coming through. As I have said, there are all sorts of ... I used my earlier example that there are non-physical infrastructure issues, H.R., investment and people, and perhaps Catherine might want to comment on that in a minute, where we are putting some money aside to improve things. If you consider that as one of the initiatives then, yes. If you consider it as something we needed to do then it is something we need to do. So, yes, there are bids, there are sums of money coming in which is adding to the spending pressures as a whole where we do not really have much choice but to invest into - and I think I do use that word - or to improve existing systems that bluntly are not as fit for purpose as they should be. Do you want to add on that?

Chief of Staff:

Yes. So there are 2 things in H.R. There are the systems that don't work and so they are going to talk to each other in terms of payroll and H.R. but also there were a number of cuts made to the people in H.R. and the staff so there has not been the investment there. So in terms of succession planning, development, workforce development, career progression; none of that has happened. So, as Charlie alluded to before, we have got an ageing workforce however we have not planned for bringing new people in and developing them through an apprenticeship programme so those are all things that we have got to look at and make sure we have got not just the right capacity in place to deal with that, but also the right skills and capability.

The Chief Minister:

If I can add - and then I will hand over to Charlie - that there have been instances as well where previous expenditure has not made it to the destination that was originally intended, so I will hand over to Charlie to explain on that one and then Tom might have something to add as well. Do you want to talk about Health?

Chief Executive:

There is a good example of expressions of interest around Children's Services. You will know that the previous Council of Ministers allocated resources and there was money also put in for older people's services. Once we did some of the work, it became apparent that that money was being,

at a departmental level, diverted into more of what I would call urgent healthcare monies, rather than into the preventative or supportive areas. It was an example where, if I am being honest, the way in which the previous arrangements for accountability for funding and decision-making was perhaps at its weakest. As a result of that, you did not get the overview that you needed, so money that had been clearly identified went into the departmental area, but it did not necessarily go to support the front line. I think the previous Council of Ministers expressed some extreme frustrations around that. I use this as a non-financial point, but as an example of where I think overall governance and management of the organisation had slipped. After the children's inquiry, the debate that took place about what and how the management response should be focused on the inquiry's immediate recommendations - and Tom was asked to take it forward - the senior management team did not have a meeting about it because it was a departmental priority, it was not a corporate issue, whereas putting children first is something that is important for the whole of the public services. We ended up in a place where I arrived in November doing some part-time work. The corporate management team had never had the debate about our response to the children's inquiry. Now we are trying to put that in, look at the improvement programmes, understanding the need for corporate parenting; the list will go on. That is something that we all share and we deal with. It is not a departmental issue only. That for me is a good example where money was allocated, but did not go to the front line services. Oversight, managerial responsibility and the governance of that fell down because of the former ways of doing business. I would not say everything is bad in the past, but I would say that was a structural failing that the One Government initiative is trying to overcome. You deal with oversight, you get accountability and you deal with it not as a single departmental issue. That for me was quite important. There was political frustration, there was operational frustration and there was, I think, also a leadership vacuum around that. That is really important. In terms of the Government Plan now, the expressions of interest, Tom is obviously involved with Richard Bell around that. I think we have got a number of areas where departments and Ministers bring forward expressions of interest, but there are also some cross-cutting themes. It is not all about OneGov, it is about how we are modernising our services.

Director General for Strategic Policy and Performance:

I think the 2 things are linked together. We have talked before in other forums about how the Government Plan process is seeking to be focused around outcomes, about what we are trying to achieve for the environment, what we are trying to achieve for children. Then a lot of the stuff that you are looking at here in OneGov will provide the underpinning for that. If you take something that looks very OneGov like finance transformation, a big chunk of that is to do with integrating performance management around outcomes with financial inputs, so getting that investment right is really important to Government achieving the outcomes that Islanders want to achieve. Or if you take another area like the people investment through Team Jersey, you have been looking at that earlier today, but that is the principal underpinning to getting things better for children. If you take

something like the Youth Justice review, that says that we have to get children's social workers working with the justice system, working with adult social workers and working with probation social workers in an integrated way. Some of that you can do structurally, but a lot of that is cultural. It is about working together truly as a team in the best interests of the children. A lot of what you might be looking at as a OneGov strand is critical to achieving those joined-up improved outcomes for Islanders.

Senator K.L. Moore:

Just before we do move on, I hear what you are saying and it is good to hear discussion about indicative costs. Just to be very clear as well that post the Independent Care Inquiry report that there were certainly political discussions held collectively.

Chief Executive:

Sorry, yes, there were.

Senator K.L. Moore:

The failing was very much on the operational side.

The Chief Minister:

No, we are talking operational.

Chief Executive:

Sorry, can I reiterate, I am talking about officers. I am not talking about ... in fact, far from it. I would stress that I thought there was a political conversation at the right level, it just was not reciprocated lower down.

The Chief Minister:

That is about organisational culture.

Senator K.L. Moore:

Yes. The point being I think where the frustration currently lies in terms of the budget for this project concept or even terminology is how financial transformation and financial management are responding to the Comptroller and Auditor General's reports of the past that have directed us to how we can better function in the future. That is such a core part of it. How then does this project not have clearer budget for us to identify with?

Chief Executive:

Because it is not a single programme. It is as simple as that. Everybody keeps asking the question. Team Jersey is an initiative. You have a budget; there is a ministerial decision; you have K.P.I.s and you have a contract. It is very clear. The efficiencies programme will have a methodology and an approach, with set targets which will be delivered. The finance transformation programme has a programme, a project initiation document, it has outcomes, it has money attached to it and it has targets. Each of those are done at the project level.

Senator K.L. Moore:

But between them, just those 2 projects, if I recall correctly, that is at least £5.5 million, if not £6 million for the 2 of them. When we are talking £8 million to £9 million for the entire indicative cost, that is where we need to fill in the blanks.

Chief Executive:

It depends what you define as project costs versus the investment into supporting and delivering it. When I said we will bring back a programme of costs that will show all of the various component parts, we will do that. The issue about Team Jersey is it is spread over a number of years and therefore the same with the finance transformation, it is spread over a number of years. Some activity is spread over a far less period. Some - I.T. - will be spread over 7 or 8 years. They are not all of the same life and they are not all over the same timelines, so you are not comparing apples with apples.

Deputy R.J. Ward:

The £8 million to £9 million for phase one of OneGov ...

Chief Executive:

So £8 million to £9 million was the indicative cost of what it would cost to get to the point of taking us through the first phase of the changes. It was a figure that was shared with the former Council of Ministers at a high level and it is the figure that has been used. The final figures, it is an indicative.

Deputy R.J. Ward:

Yes, I absolutely get that.

Deputy K.F. Morel:

Sorry, Robert. Can I just ask, could you describe then what was the first phase of the changes: the efficiencies programme, financial transformation or Team Jersey?

Deputy R.J. Ward:

Which bits has the £8 million or £9 million improved?

Chief Executive:

The target operating model, you have got development of a range of activities, including communication and engagement, improving finance, dealing with people and culture as part of that first phase. You will have seen that when I talked about stabilisation, then recovery and where we will be in repositioning. We talked in the original launch in March 2018 of the first phase. We also talked about the fact that other phases will come on midstream in that, so some work around, for example, stabilisation. It has not been about modernising, it is about doing basics, G.D.P.R. (General Data Protection Regulation), all the work that we have had to do over cybersecurity.

Deputy K.F. Morel:

Do not get me wrong, but G.D.P.R. has no place in the OneGov programme as such. It was its own thing. It had to be done regardless of whether you were here or not.

Chief Executive:

That is why, you see, you talk about it as the OneGov programme. I keep telling you OneGov is not a programme.

Deputy K.F. Morel:

Sorry, who came up with the OneGov name? Where did this come from? I had believed it was you.

Chief Executive:

Yes, but I said very clearly it was an approach.

Deputy K.F. Morel:

So they are concept, a project and approach.

Chief Executive:

Go back, and I talked about a series of initiatives which were about bringing the public services together as one organisation. That is very different, Deputy.

Deputy K.F. Morel:

I know, but throwing G.D.P.R. in there, I am sorry, G.D.P.R. had to happen. It was the law. We brought in the law and that affected this organisation. It has no place within your costings for any approach or concept or whatever.

Chief Executive:

But I am saying we did not put any money in. No, sorry, we did not put any money into it.

Deputy K.F. Morel:

Fine. It had to be put into it, but that has still no place in your costings for the transformation programme.

Director General for Strategic Policy and Performance:

If we perhaps just pick a different example, which might work more easily ...

Deputy K.F. Morel:

It is not an example, it is an important point.

Director General for Strategic Policy and Performance:

... part of the finance transformation, transforming the way in which we manage money, relies upon a new Public Finances Law. That is not a sum of money, that is existing policy officers doing what we do with Treasury colleagues to bring forward legislation for you to scrutinise, for the Assembly to decide on. Obviously all of that costs the taxpayers, the Island, whether it is in my costs or your costs. We are just doing what we do. It is essential to transforming how we do finance, but it does not require a separate dedicated budget because that is done with the existing resources.

Senator S.C. Ferguson:

With respect, it must have done, because you have KPMG doing a hell of a lot of work.

Director General for Strategic Policy and Performance:

They did a bit.

Senator S.C. Ferguson:

I am sorry, a great deal of work.

Director General for Strategic Policy and Performance:

Yes, I agree KPMG were useful, but the point is that it is not something that you would say: "Achieving the finance transformation cost this much" because there are other things involved with that that you just do through the usual processes.

Deputy K.F. Morel:

I understand what you are saying.

Deputy R.J. Ward:

I think, Chairman, we want to move forward.

The Connétable of St. Martin:

I was just going to say, I wanted to continue with the G.D.P.R., only because I am a Constable and I run a Parish and I am just in the middle of doing my accounts for my rates.

[17:00]

G.D.P.R. has come up. We have to pay for it, we have to have a data protection officer, we have to have ... so that came in and we had not budgeted for it. The way we do the Parish accounts, I do understand exactly where Deputy Morel is coming from because you cannot really lump that in. That was something that came down by the law and we have to do it, so we had to find the money for this, whereas your transformation is different to what is coming down from the law. That is how I see it in the Parish anyway.

Chief Executive:

Without trying to prolong the issue, just G.D.P.R., we had a number of areas where the law was in place. I can give you 2 or 3 - another one is around record-keeping - where there was no capacity or resources in place for us to meet our obligations. As part of that, what we had to do in the initial due diligence phase was to meet some of our particular obligations on things like data protection, G.D.P.R. and cybersecurity. We would have therefore, if we had just left it, not been able to meet, as I said, our obligations. Some of what we have had to do around that has required us to make some very big decisions then about how we transform the way in which we look after data, and on the back of that, the way in which technology as a whole needs to be protected across the Island, which the Government uses and has responsibility for.

The Chief Minister:

To cut to the chase, in November 2017, when Charlie started, the organisation was not ready to implement G.D.P.R. in May 2018.

The Connétable of St. Martin:

The Parishes were not either and we have just had to rush ...

The Chief Minister:

Yes, but the point was that there had been no preparation.

The Connétable of St. Martin:

Yes. Anyway, I think we can move on.

Deputy K.F. Morel:

Nobody is saying the money should not have been spent on G.D.P.R.

The Connétable of St. Martin:

No, we are not.

Deputy K.F. Morel:

What we are saying is it does not form part of any OneGov programme.

The Connétable of St. Martin:

Yes. I think we need to move on, because we have got so much to get through.

Director General for Strategic Policy and Performance:

We have, but if it might help just to pull all those strands together, I think that the over-arching drive is to create a modern, fit-for-purpose public sector. That included adopting a far better approach to data protection through G.D.P.R. When we did that, we did it in a OneGov way. What we did not do was to duplicate resources through lots of departments, we approached it through the OneGov lens and did it that way, so we created a more modern, fit-for-purpose public sector, but in a OneGov way of doing it.

The Connétable of St. Martin:

Shall we move on?

Senator K.L. Moore:

Shall we try to move on? P.1, let us return to that. Part of the change in P.1 was the shift to a single legal entity. The panel would like to know why that part of the change has stalled.

The Chief Minister:

It has not stalled, as far as I understand. The regulations at some point will be coming in, I think. Well, sorry, will be coming to the Council of Ministers I believe towards the end of this year. Am I correct? I am looking at Tom, because that is his area.

Director General for Strategic Policy and Performance:

Yes, that is correct.

Senator K.L. Moore:

It appears to have taken some considerable time for a simple concept such as the Jersey Ministers - or whatever you wish to call yourselves now - to take effect.

Director General for Strategic Policy and Performance:

It has taken some considerable time, but the time has been with the officer side of things rather than with the ministerial side of things. That is because in order to implement the decision of the Assembly, we have to develop regulations which change every reference to an individual Minister named in law to the single legal entity; so that requires law draftsmen, lawyers and policy officers basically to read every single Jersey law. There are about 1,000 of them. They are being worked through alphabetically and thematically to look at how best to adapt the wording to suit what the Assembly wishes to achieve. That is just taking a little bit of time to do.

Deputy K.F. Morel:

Sorry, I do apologise. Surely a similar exercise must have had to have been done when you moved from the committee system to the ministerial system, because they would have referred previously to committees.

Director General for Strategic Policy and Performance:

I will explain that to you very briefly.

Deputy K.F. Morel:

No, do not worry. If the answer is no, it is not, then that is fine.

Director General for Strategic Policy and Performance:

The answer is no, because when it was moved to the committee system, all that was done was: "For a committee for Home Affairs, read Minister for Home Affairs" and that was done through a one-page regulation, which was very simple. What you find when you go back and try to do: "For committee for Home Affairs, read Minister for Home Affairs", when you then do: "For Minister for Home Affairs, read Government of Jersey" it does not quite work. You cannot quite transpose one for the other. Lots of laws refer to 2 or 3 Ministers in one law, so you cannot have Ministers consulting each other. It does not really work anymore, so you have to slightly rework the law to make to make it work. That slight reworking means you have to read every single law, which they did not have to do in the move from committees.

Deputy K.F. Morel:

Okay, thank you. Chief Minister - and this is to be answered by the Chief Minister, if you do not mind - in your opinion, what is the chief executive's role?

The Chief Minister:

There are a variety of things, but one of them is to implement the decisions made by the Council of Ministers, to implement policy decisions, and in this instance to implement the transformational change of the organisation.

Deputy K.F. Morel:

That is it?

The Chief Minister:

There are a whole range of other things, but I think that is probably the overview.

Deputy K.F. Morel:

If you would not mind going into the other things, that is the question I have asked.

The Chief Minister:

Somewhere in here I have a C.V., if you will give me a couple of minutes. "Job purpose: to be responsible for the strategic leadership and operational management of public and civil services in the States of Jersey; to give principal advice to the Chief Minister and the Council of Ministers on all matters within their remits; to exercise initiative in ensuring the delivery of the States of Jersey vision, objectives and priorities; to act as head of the public service, leading the Corporate Management Board and directing chief officers, who are both accountable to Ministers and responsible for corporate leadership; to drive and maintain a world-class high-performance service delivery culture across all areas of the States of Jersey; to lead and direct chief officers in the general administration and general management of the civil service and the implementation of corporate and strategic policies; to lead and co-ordinate engagement with external stakeholders, such as local businesses and the third-sector community in Jersey, the Government of the Channel Islands, the U.K. Government, the European Union, French national and local government and other organisations as required." That is a starter for 10.

Deputy K.F. Morel:

Do you believe that has changed since the C.E.O. (Chief Executive Officer) was appointed at the beginning of 2018? Do you think that is still the case?

The Chief Minister:

I think those are still his responsibilities.

Deputy K.F. Morel:

You do not think any have been added or taken away since then?

The Chief Minister:

In the wider context, I do not think so.

Deputy K.F. Morel:

No, that is fair enough.

Senator S.C. Ferguson:

When are you going to bring the legislation to change the States employment law in order to ratify the position of the C.E.O.?

The Chief Minister:

That is what I was going to say. I suppose obviously there is the change from the Public Finances (Jersey) Law, if that is what you are referring to, for example. Yes, Tom can deal with it. It is in hand. I cannot remember what the timetable is and I cannot remember if it is the end of this year or the beginning of next year. Over to Tom.

Senator S.C. Ferguson:

That is only one simple little law. It is not 1,000 or so.

Director General for Strategic Policy and Performance:

Pleased to hear that it is a simple law. When the Council of Ministers commissioned the review of the Employment of States of Jersey Employees (Jersey) Law in March, they asked if we could bring those proposals back at the start of 2020, so what we are hoping to do is to get the proposals to the Council of Ministers in kind of quarter one 2020 and then with the Assembly shortly after.

Deputy K.F. Morel:

Karen, I will do question 20 as well and then I will finish.

The Connétable of St. Martin:

Yes, that is brilliant.

Deputy K.F. Morel:

Chief Minister, do you think that the chief executive and the Council of Ministers are aligned in the way they see the chief executive's role?

The Chief Minister:

Do you mean do Ministers see the role of the chief executive in the same way as the chief executive may see his role?

Deputy K.F. Morel:

That is exactly what I mean.

The Chief Minister:

I cannot comment for all Ministers, I must admit.

Deputy K.F. Morel:

Does the Chief Minister feel ...

The Chief Minister:

I would have thought we did. I think the chief executive is very clear in his understanding that Ministers tell him what to do, if that is the root of the question you are asking.

Deputy K.F. Morel:

No, but I was going to ask about politics. One of the elements you mentioned was the strategic adviser to the Chief Minister, so I was wondering how clearly defined you think the political and the non-political aspects are. Let me put it more bluntly: do you believe the chief executive ever oversteps the mark into the political sphere?

The Chief Minister:

Not in my experience to date. I think he is very aware of that division.

Deputy K.F. Morel:

So when he says things such as: "In an advanced economy, good employers pay more than a minimum wage and a living wage and the benefits they offer to their employees are more generous than statutory minimums" and he says that in public speeches, you do not believe that is stepping into the political sphere, advising employers how they should employ?

The Chief Minister:

That is not advising, that is commenting, I would suggest.

Deputy K.F. Morel:

But that is exactly the point.

The Chief Minister:

No, I ...

Deputy K.F. Morel:

“If we are not careful, the divide between the haves and those struggling to make ends meet will impact significantly on our prosperity and the stability of the Island.”

The Chief Minister:

Bear in mind that we have talked in the C.S.P. (Common Strategic Policy) about income inequality, for example. I would have said that was voicing a policy of the Council of Ministers that has already been expressed.

Deputy K.F. Morel:

You think that is what the chief executive should do or what the Chief Minister should be doing?

The Chief Minister:

It depends what context one is operating in, but I do not have a problem with a civil servant giving support to a ministerial policy.

Deputy K.F. Morel:

Which ministerial policy was that?

The Chief Minister:

The C.S.P.

Deputy K.F. Morel:

This is 21st February 2018. That is before the C.S.P. was created.

The Chief Minister:

What was in the previous Strategic Plan? I am trying to think. I cannot remember.

Deputy K.F. Morel:

No, I do not know from the top of my head whether it was or was not, but it was not in your strategic policy, that is for sure.

The Chief Minister:

I was talking about my time.

Deputy K.F. Morel:

But do you think there is a dividing line which needs to be watched?

The Chief Minister:

We need to make sure that not only the chief executive, but that the civil service as a whole, does know that it is Ministers and politicians who run the Island and that it is the civil service that implements those decisions.

Deputy K.F. Morel:

It is an implementation role rather than a ...

The Chief Minister:

It is, and they do advise Ministers, obviously, but Ministers can either accept the advice, modify the advice or ignore the advice. It is then very much in the hands of the checks and balances, including yourselves, as to whether that particular decision is the right thing to do.

Deputy K.F. Morel:

In this case, it seemed like advising businesses rather than advising Ministers.

The Chief Minister:

I do not think that is advising ...

Deputy K.F. Morel:

It sounded like it.

The Chief Minister:

... to be honest. That is your opinion.

Senator K.L. Moore:

It is timely that today the chief executive's appraisal is being published and, Chief Minister, you agreed, I think, a series of K.P.I.s for the role. We just were interested to see how many of the objectives moving forward were agreed by yourself and how you will be having oversight that those are achieved.

The Chief Minister:

Sorry, could you repeat the question?

Senator K.L. Moore:

At the end of the appraisal report, after the conclusion there are, I think, 7 objectives for moving forward. It says: "In year 2, the chief executive should be looking to ..." and I presume that you take responsibility for conducting the oversight that those objectives are met.

The Chief Minister:

The oversight, the short answer is yes, but it will be done ... I think we will have to work out the precise way that it is going to be done. I think it is going to be done in a similar manner to the one we have done for year one and that will involve (a) politicians, but (b) other people giving their overall feedback in the context of the independent assessor and then an overall assessment. That is my take.

Senator K.L. Moore:

Thank you. In the appraisal document there is a new term - a term that was new to us, anyway - which appears, which is "local target operating model" and we wondered whether you could expand upon what a local target operating model is, please.

The Chief Minister:

Do you want to tell me what page we are talking about, because that can give me the context?

Senator S.C. Ferguson:

Page 35.

Senator K.L. Moore:

It appears several times throughout the document.

The Chief Minister:

That is okay. My take, to be honest, at the end of the day, target operating model is corporate jargon these days for a restructuring, as far as I am concerned. Whether it is local or target operating model, I do not think it makes any distinction whatsoever, but a local target operating model for me is something directly relevant for the Island and at a smaller scale, if necessary.

Senator K.L. Moore:

Do you then understand the point: "introduce local target operating models explaining the links between them and ensure that they do not lead to a new siloism"?

[17:15]

The Chief Minister:

I think what one is making sure is that in terms of the restructuring that is going on, I would have thought it is revisit, update, refresh, as it were. You have gone through a major restructuring ... or,

sorry, the restructuring is happening. There will be tweaks within that system. I think that is a reference to those tweaks.

Deputy R.J. Ward:

This sort of links back to what we were talking about before in terms of the role of the C.E.O. I will reword it slightly: in terms of the link between the political and the advisory, is it wise to be sending letters over a pay dispute from the C.E.O.? Are they not inflammatory in any way?

The Chief Minister:

I think the point is although the States Employment Board are the employer, the C.E.O. does have an operational responsibility for the workforce.

Chief Executive:

As head of the Paid Service, you have to do those things and sometimes it is very clear that the role of the States Employment Board is to set the policy and it has overview and oversight, but the implementation of that rests with the head of the Paid Service. It is as simple as that.

Deputy R.J. Ward:

I think we have dealt with the other question now in many ways.

Senator S.C. Ferguson:

Who has accountability for the States budget before, during and after Assembly approval?

The Chief Minister:

That is an interesting one. When you say in terms of "responsibility for", we are talking the ...

Senator S.C. Ferguson:

Accountability.

The Chief Minister:

Okay. Are we talking for effectively achieving budget against actual or are we talking production of the document?

Senator S.C. Ferguson:

Production of the document, because it is before, during and after Assembly approval.

The Chief Minister:

It is the Government Plan we are talking about, essentially.

Senator S.C. Ferguson:

Yes, I am sorry.

The Chief Minister:

Sorry. So the Government Plan in terms of the contents thereof or proving the contents thereof, it is the Ministers that decide upon the contents. In terms of the logistics, obviously there is a team in play at the moment helping to bring that together and that is done at the ops level. But the Council of Ministers as a whole is meeting on a very regular basis at the moment to thrash out the contents and what is going into there, what the final outcome will be in terms of year-end balances and obviously any changes that come through and also long-term changes that will be coming through. Thereafter, hopefully, if it is approved by the Assembly, in political terms I think the accountability must still rest with the Council of Ministers to ensure that we then stick to that Government Plan. I was just thinking, because the approval process obviously is that it is approved by the ... yes.

Director General for Strategic Policy and Performance:

It is. You are quite right, Chief Minister. The legal responsibility rests with the Council of Ministers to propose the budget and so that responsibility is clearly with Ministers. Deciding on income and expenditure is very clearly with the Assembly. That is the Assembly's decision, and then once the Assembly has made that decision then the expenditure of the funds is the responsibility of the accountable officers to make sure that that is done lawfully and in accordance with financial direction. The principal accountable officer is then responsible for the overall efficient and effective use of those resources, but of course Ministers continue to be held to account by the Assembly for what those resources achieve.

The Connétable of St. Martin:

Can I just ask a question that lots of people would like to know the answer to? Why does the C.E.O. have a chief of staff? It sounds a bit like a political role, like West Wing or something. It is just ...

Chief Executive:

It is not an unusual role that occurs in governments and public services. It might feel a bit more military than some people are used to. Clearly it is a new role here. One of the things that I was very clear about is in the previous structure, there was the Chief Minister's Department. The reason why there was a Chief Minister's Department was because the accounting framework was for the decision making and the ability to hold the budget sat then with the chief executive, who in effect was an equivalent director general. One of the things that I was very keen on was that there should not be a Chief Executive's Department and we should try to deal with things where the chief executive had oversight and was working and using the Office of the Chief Executive to support and

to deliver on the Council of Ministers' arrangements. To do that, I take a view that you need a much slimmer, smaller organisational base, but you need someone who would take a role for key themes. An example is some of the work that might be going on around Pacific initiatives, but will also have responsibility for short-term initiatives as well as more longer-term initiatives. The role of the chief of staff does not have lots of people. It is an influencer, it is an enabler, it is a facilitator, but it is also someone who will be able to use the Office of the Chief Executive to go out and get things done, because the chief executive just physically does not have enough hours in the day to do it. That is the principle of it.

Deputy K.F. Morel:

In political terms, it sounds like the chief of staff is your whip.

Chief Executive:

No, it is certainly not.

Deputy K.F. Morel:

An influencer, an enabler.

Chief Executive:

The facilitator and the enforcer bit, which a whip would probably have, is slightly different. The actual expectation of director generals is that they are working across thematic issues. I have carved up quite a lot of roles where people do not necessarily work just in the children's box or in the Home Affairs box, they do things differently. The chief of staff also has the responsibility of working to the Chief Minister and Ministers around the ministerial governance piece and oversight and working with the P.A.C., so there is quite a big governance and link back to the Ministerial Decisions that come through the Ministerial Support Unit. So its role is as a sort of glue between different aspects of work the chief executive has responsibility for, but cannot necessarily spend all the time doing. It is an important part of that function. Ultimately the office of the chief executive, if you recall in the structure, there are some views about whether you would keep it as it is currently configured - which was made clear at the beginning of March 2018 - in a post-Brexit environment, but we felt it was really important, because the other area that the chief executive plays a big role is with the Minister for External Affairs and also is involved in working with the Deputy Chief Minister as well. Some of the arrangements around that have necessitated the structure as we have got it, but the chief of staff plays a role in being able to link with some of that. The chief of staff may wish to comment herself on some of the expectations and delivery of all of that.

Chief of Staff:

I see it as a strategic role in the sense that as we are moving through the transformation, departments have worked in siloes before. I have the strategic overview, so I work right across with the director generals, making sure that, for instance, on the C.A.G. (Comptroller and Auditor General) recommendations, we are starting to put in a process which has taken us some time, but I think we are getting there, where we then start to have strategic oversight from a corporate perspective, rather than having departments doing things slightly differently, which is what has happened in the past. They are not necessarily doing things wrongly, but not being able to have that strategic overview, but also being able to go in and support senior management teams if they need support in what they are doing and also to make sure that we are not duplicating. So we are learning from what we are doing, which I do not think we have done as well in the past. Because of the way the departments have been set up, they have been very much ... I think silo is wrong word, but operating independently of each other.

Senator S.C. Ferguson:

In the appraisal report for the chief Executive, there is a comment about what the chief executive should be looking to do in year 2. What are your comments on it?

Chief Executive:

The independent report is what it is, it is an independent report and was talking about year 2 as through 2019. Clearly we are halfway through that process of trying to implement. Do I agree with every aspect of the report? Possibly not. Do I have a view on some comments? Yes. Am I happy for it to have been published and shown some of the issues? Absolutely. If you are looking at the priorities going forward for this year, I think that the point in time captured a lot of them. We are working on them. I do not have a problem with those, but I think there are also some others that have come on-stream since then. The Chief Minister in his comments has also added to those priorities with a series of additional areas that I am expecting to take a role in and see in year 2. The Government Plan is a good example. It was not in the independent assessment. Yes, it is what it is.

Senator S.C. Ferguson:

Yes. You were talking a moment ago about sort of being at the centre of things. One of the comments that has been made is that you should create more distributed leadership, which sounds to me like delegation, spreading it out.

Chief Executive:

Clearly we will wait for the end of the year, but I think there is a lot more of that going on now. By way of example, Tom and Richard Bell are leading a lot of work on the Government Plan. There is a lot of work being done by others, such as John Quinn, as the chief operating officer, with the chief

of staff around the Team Jersey work. There is a huge amount of work now being undertaken through the director general for C.Y.P.E.S. (Children, Young People, Education and Skills), but also with Health over the children's improvements, the adult social care improvements that we have to make post the C. and A.G. report, which you are acutely aware of. There are certain times when I had to intervene, so I am taking a much more hands-on role about getting the new hospital project established, but then if you notice in the Chief Minister's report that that will be handed over to people as part of trying to ensure that we get a more distributive leadership model. Are we there yet? I think as a team, when that report first was written, we were probably storming and forming. We are now getting into more of the norming and I think we are a lot better. Our away days show that. It is a much more collegiate setting. I think people are more able to give me bad news, for example. They are not quite in fear of their lives as much as they might have been. Things have settled down and I think there will be, hopefully by the end of the year, more indication as to whether it is a more collegiate operation at the top of the organisation.

Senator S.C. Ferguson:

So you have started recalibrating the balance between listening and talking?

Chief Executive:

I think there is also a bit about directing and enabling and facilitating.

Director General for Strategic Policy and Performance:

Also I think there are 2 sides. I think for the other directors general such as myself, as we come together and as we form, there is a sense in which probably we will want to take more. It is not just the chief executive kind of giving it, it is us having the appetite to take as well. So as we form ...

Deputy K.F. Morel:

The salary suggests you should.

Director General for Strategic Policy and Performance:

Absolutely, I could not agree with you more.

Deputy K.F. Morel:

I mean that in the nicest way. I was just making sure.

Director General for Strategic Policy and Performance:

I could not agree with you more.

The Chief Minister:

You will not get any disagreement from this end.

Director General for Strategic Policy and Performance:

Chair, earlier on Senator Moore asked about something in the chief executive's appraisal report and what it meant by "local target operating models." I am just having a look at my very small screen and I think that term derives from a quote that is included from one of the people that participated in that 360-degree appraisal. One of the people anonymously quoted said that there is a danger that focusing on local target operating models will lead us back into siloism. Looking at the context, I think that that person meant departmental target operating models, so Nicholson McBride - because it is their report, not anyone else's - have just lifted that language down into the bottom section and said: "The chief executive has to make sure that does not happen." I hope that is helpful.

[17:30]

Deputy K.F. Morel:

As clarification, I did not quite understand - it was a question I was meant to ask earlier - but the office of chief executive, is that a part of the Chief Minister's Department?

Chief Executive:

There is not a Chief Minister's Department.

Deputy K.F. Morel:

There is not anymore, even though we see it written from place to place, some people's I.D. (identification) cards and things like this.

Chief Executive:

We have not made the change, so you will find it in a lot of these. We have not made that full change yet because we are going to do that once we have finished the organisational target operating model.

Deputy K.F. Morel:

This comes from a genuine position of purely questioning - there is no criticism - but is there a concern, Minister, that no longer having a Chief Minister's Department, only having an office of the chief executive, does that genuinely, from a language perspective, create a sense that the chief executive is more important than the Chief Minister? He has an office. You do not have anything.

The Chief Minister:

I do have an office. No, the point is that ...

Deputy K.F. Morel:

No, but do you understand what I am saying, the signals it gives?

The Chief Minister:

... no, the Chief Minister's Department predominantly I would say inform things like ... I am going to say I.T., H.R. and everything under it. In fact, I think there is still far too much under the Chief Minister in terms of actual individual issues that we are meant to make decisions on, as opposed to the strategic side. No, I do not have any concerns on that front at all. If anything, some of the stuff that still sits, that is a responsibility under the Chief Minister should not be there. That is at a political level I am talking about.

Deputy R.J. Ward:

I was just going to ask, one of the things at the end of the report is the ...

The Chief Minister:

By that I mean it is not getting rid of it as a political responsibility full stop, it just should not be under the politician who is the Chief Minister, if that makes sense.

Deputy K.F. Morel:

What should be under the politician that is the Chief Minister?

The Chief Minister:

The office of the Chief Minister is meant to be responsible around the strategy and various other matters, but the point is that at the moment, for example, I have responsibility for the regulation of carers, so there are some detailed bits ...

Deputy K.F. Morel:

No, I appreciate that, but ...

Senator S.C. Ferguson:

That is really for when you move in.

The Chief Minister:

In fact, yes. But what I am trying to say is ... I was just thinking: "How on earth does that ..." and because the Chief Minister has become a convenient point for certain legislation, so I am saying that needs to be addressed.

Deputy K.F. Morel:

I am just trying to work it out. Yes, no worries.

Deputy R.J. Ward:

There was just a comment made on the chief executive's report, that it said "strengthening the rapport between himself and the Chief Minister." I just wondered if you had any plan on how you were going to do that.

The Chief Minister:

We are working quite well at the moment.

Deputy R.J. Ward:

Take him out for dinner or something.

The Chief Minister:

At the moment it is working quite well. That is like faint praise, is it not? No, it is working well. What we are trying to do - which is the difficulty we are having with 2 very busy people - we do need to do some more getting out of the office to have that kind of strategic strategy going forward, but overall I think it is working well.

The Connétable of St. Martin:

I think the last question is from Senator Moore.

The Chief Minister:

The fact that we are smiling at each other at the moment should hopefully demonstrate that, by the way.

Senator K.L. Moore:

May I just pick up on a topic that was raised earlier? That is since the Government has moved out of Cyril Le Marquand House, there does not appear to be a plan for that building, which of course as square footage and accommodation is tight for many people in the Island, what is ...

The Chief Minister:

Cyril Le Marquand, I believe they are still stripping out the I.T., as far as I am aware. Even though people have left, there is still infrastructure in there. It has been raised at the Regeneration Steering Group. The Regeneration Steering Group have made some indicative decisions and I think they will be finalised when it next meets, but there is an intention, as soon as we can, to release that into the housing market for a redevelopment. The actual process of that has been indicated upon but

not formally signed off on, so I will comment when that is done, but I would hope we will be in a position to be doing that this year.

Chief Executive:

Yes, there is meant to be a planning application by the end of the year.

The Chief Minister:

Yes, and I am very clear that before anything happens on that, my personal view is I would like to see a planning application in before any demolition happens, because my personal view is that we should be seeking to retain the height of that building in town, but that is a matter for planning.

Deputy R.J. Ward:

Would that be affordable housing?

The Chief Minister:

It is going to be a mixture of housing.

Chief Executive:

On the 2 sites.

The Chief Minister:

A contribution to the overall housing problems that we are facing.

Deputy R.J. Ward:

Better than the waterfront house, but let us not go there.

The Connétable of St. Martin:

Thank you very much for attending this afternoon. I advise that this hearing is now closed.

[17:35]