



# Annual Report for 2010

## CHAIRMAN'S REVIEW 2010

Having taken up my appointment as Chairman of the Commission in February 2010, this is my first Annual Report. I wish here to thank my fellow Commissioners for the commitment they have demonstrated over the last year and for their support. In addition, I would like to thank Mike Liston, the outgoing Chairman, for his support in the first few months of my tenure, and also the States Human Resources Department, which provides valuable support both directly to the Commission and in overseeing compliance with our recruitment standards.

Reflecting on the year, my first comment is to concur with Mike Liston's statement in his final report in which he commented that, within the States, there is a *"regulatory regime which has reached maturity, with good levels of awareness and demonstrated compliance with the Commission's Codes of Practice and Guidelines, which prescribe good Standards in Recruitment to the Public Sector and Quangos"*.

However, at the same time, the past year has proved to be a very interesting and sometimes challenging 12 months. The Commission has been involved in the appointment of a number of very senior roles such as, Treasurer, Chief Officer in HSS and Chief of Police and in many high profile Quango appointments such as the newly formed Harbours and Airport Shadow Board. The experience of being involved in these assignments, has served to both highlight the importance to the Island of appointing highly qualified candidates to these roles as well as the significant challenges faced in doing so. Amongst the issues that have contributed to the challenges are the following:

- Previous JAC reports have highlighted a number of important issues, however, many of these, such as succession planning and leadership development have yet to be addressed fully;
- The need to respond to the current economic situation has led to the implementation of the Comprehensive Spending Review. The Commission fully supports the need to address the significant financial challenges that the Island faces however, the CSR already has, and will continue to, place strain on both the people and the existing processes. These strains have highlighted a number of organisational and process issues that the Commission believe need to be addressed;
- These pressures are also being evidenced in the amount of interest being shown by politicians in senior appointments. There have been

numerous examples of such interest reported in the press over recent months. It is not the Commission's role to comment on this apart from to highlight the impact it has on everyone involved in the recruitment process and on those who may apply for senior roles in the future.

In reviewing the year it is important to recognise the context and that the challenges faced by the States are significant and unlikely to improve in the near future. These challenges are set against a background of dramatically escalating complexity of global governance standards, and to the increasing external scrutiny that a competitive jurisdiction, like Jersey, attracts.

However, it is the Commission's view that in these difficult circumstances, there is an even stronger need to attract and retain people of the highest possible calibre. Jersey is subject to social, political and economic pressures not dissimilar to those in jurisdictions many times its size. This is a factor that often seems to be misunderstood locally. Many of the roles are much more complex than roles that might be deemed to be their equivalents in the UK, and it can therefore be more difficult to source candidates with the required skills and experience and also to then attract them to come and live and work on the Island.

One of the Commission's greatest challenges continues to be striking a balance between firmness and flexibility in its regulatory approach. The Commission takes seriously its responsibility, jointly with the employing Ministries, for ensuring that off-Island recruitment is used only where there are no suitable local candidates. Our aim to be pragmatic has been particularly driven by the inevitable compromises involved in determining, alongside the employer, the extent of the competition to be applied to particular posts and in particular circumstances.

I would like to extend the focus to the importance of retaining high calibre people. There have been a number of instances where high quality people have been appointed and then, for a variety of reasons, have decided to move on relatively quickly. Apart from the obvious costs of having to go through a recruitment process again, there are significant costs in other measures such as appointing interim managers to cover the role until a replacement has been appointed. However, there are also significant hidden costs to the States. These are rarely identified or discussed in any organisation, but lie in the 'opportunity cost' of failing to meet objectives through the lack of continuity, the impact on morale within the team of 'yet another change' and the potential lack of progress during the transition from one person to the next. This may well be a further symptom of the organisational and process issues that the Commission believe need to be addressed.

Many of the above points were raised in last year's report. Following the publication of last year's report a meeting was held with The States Employment Board to discuss a way forward and to put in place a plan to address the issues that had been identified.

The discussion centred on the Commission's strongly held view that there needs to be an integrated approach to addressing these issues. The key points were:

- The need to have some form of Manpower Plan that would assist in developing plans and budgets and, very importantly, in managing communication and in setting expectations in advance of senior appointments being made;
- Succession planning: It is accepted that this is a very complex area but, in essence, the question is whether the States is able to 'grow its own' and whether this is in indeed desirable or realistic in all areas;
- On the same subject, the need to recognise the challenges involved in developing senior managers from within e.g. it takes time, it can be very expensive, the success rate can be low and whether the required development opportunities and experience can be gained on the Island;
- There is evidence that some talented people within the States decide not to apply for the more senior roles. The perception being that they see the 'risks' as being too high and elect to stay in their current posts. Apart from re-emphasising the issues mentioned above relating to succession planning, such reluctance amongst middle managers is also likely to create bottlenecks in career progression for those at levels below them;
- The issue of and recruiting 'off Island': The decision to do so is not taken lightly within the States, and for all senior appointments the Commission is fully involved in the decision. It is our belief that, at the time a decision is taken that is necessary to recruit 'off Island', then the States is committing to all aspects of appointing a suitable candidate i.e., costs associated with the recruitment, the employment costs and the need to have a J category license in place. This is an area where a lack of an integrated approach can be very visible. Whilst the Commission fully accepts the policies and responsibilities of the Housing Department, we believe that the Island would be better served if a more integrated approach were to be adopted;
- Performance Management: is there a willingness and the freedom to tackle under-performance? There remains a need for more robust

performance appraisal and development, and effective mechanisms to terminate employment where such a course of action is both appropriate and necessary;

- In addition, the emergence of the strategy of investigating opportunities to 'share' roles across Guernsey and Jersey and perhaps within Jersey itself was discussed. The economic drive for this is clear and the Commission would expect to see more instances in the future. This is new territory for everyone that is involved, and care needs to be taken to ensure that appointments continue to be made within the spirit and terms of the current legislation and the Code of Practice.

As I write my report I am disappointed, but not totally surprised, to note that little or no progress has been made in addressing these issues. Whilst I fully understand the impact of initiatives such as the Comprehensive Spending Review and appreciate that resources have been stretched, nonetheless, the fact remains that a further 12 months has passed without significant progress being made on many of the key issues that were identified and discussed following last year's report.

An integrated approach needs to be taken to address the combined impact of these issues, since resolving one in isolation is unlikely to have any long-term effect. In addition, it is the Commission's view that the organisational and process issues mentioned earlier need to be addressed. As a specific example, it is our view that the appointment of senior roles within the States, and to the larger Quangos, should be managed and supported by central HR, rather than from within the Departments. We believe that this would result in more effective processes, more effective management of remuneration and terms of employment, along with the range of other benefits that would arise from a more consistent approach.

Non Government Organisations (NGO's) play a vital role in the Island's efficient administration, harnessing expertise and enthusiasm in sometimes demanding but often honorary service. They often command significant resources and some enjoy statutory powers. There are more than 50 NGO's and nearly 60% of the Commission's workload over the last year was in supporting these bodies. Whilst it has been sometimes difficult in the past for such organisations to adapt to the formalities of good recruitment governance, it is pleasing to report that in almost all cases, they have now fully adopted the recruitment processes laid out in the Code of Practice. A slimmer civil service will inevitably lead to the increasing use of NGO's to deliver non-core functions, and the Commission would anticipate the need for support remaining at a similar level to this year.

In last year's report, Mike Liston stated that *"Professionalism and respect in the relationships between civil servants and politicians are key to the efficient working of a modern democracy. But in Jersey there is a perceived hostility within the political environment which threatens the effectiveness and esteem of civil servants – and therefore the appeal of public service to talented professionals"*.

Looking over the last year, I do not believe that this situation has improved, indeed, some recent events would suggest that the opposite is true. The confusion between responsibilities and the perceived lack of separation between politicians and senior civil servants continues to be an issue.

As part of the integrated approach that I mentioned earlier, the recent review announced by the Chief Minister, is perhaps an opportunity to address some of the organisational and process challenges outlined in this report.

In my first year, I have formed a view that there are a great many talented and highly committed people within the States. The challenge lies in creating an environment where there is a common sense of purpose, one that offers opportunities and challenges and one in which those within the organisation are able to contribute fully. It is my belief that, within the States, the potential to take the first steps towards creating such an environment exists. Making measurable progress towards this goal would have a significant positive impact on the States' ability to attract and retain high quality people into the future.

However, whilst I hope that progress can be made in the forthcoming year, I am also pragmatic enough to realise that unless the 'nettle is grasped' soon then I fear that my report at the end of 2011 is likely to contain many of the same observations that I have made within this report, and which were also made by my predecessor in his 2009 report.

**Alan Merry**  
**CHAIRMAN**

March 2011

## ACTIVITIES DURING 2010

### **The Commission**

The Jersey Appointments Commission was established by an Act of the States in 2002 “to ensure that Senior Appointments to the Public Sector and to Autonomous and Quasi-Autonomous Public Bodies (Quangos) are properly made and to keep the appointments process as a whole, under review”. It was re-established in 2005 under new legislation.

The Commission met formally on four occasions in 2010 and in addition, engaged in recruitment assignments for a total of around 100 man-days, approximately 40% of which were for senior Civil Service and the balance for Quango appointments. Total expenditure on the Commission’s activities for the year was less than £33,000. Details of these assignments are shown at Appendix A. A list of Quangos known to the Commission is shown at Appendix B.

The Commission’s constitution provides for a Chairman and not more than four other Commissioners. Commissioners are appointed for periods up to four years with re-appointments permitted up to a total term not exceeding eight years.

The Commissioners in 2010 were:-

Alan Merry (Chairman)  
Brian Curtis MBE  
James Morris  
Julian Rogers  
Ken Soar

The Commission receives advice from the States’ Director of Human Resources. Senior Human Resources Manager, Sue Cuming is the Commission’s Secretary.

### **Published Standards**

The Commission publishes and keeps under review, Guidance and Codes of Practice which prescribe best practice in recruitment. That is, recruitment made on the basis of merit in an open, transparent process offering equal opportunity. The Commission relies on the implementation of these Codes and Guidance by public sector managers to ensure probity in public appointments. There is good evidence, supported by audit, that those managers are sufficiently aware of the Commission's requirements and we remain satisfied that the States Human Resources Department applies adequate controls to ensure compliance.

The Commission engages directly in the recruitment at the most senior levels in the Public Service and Quangos. Its involvement includes:-

- Agreeing the Job Description and Person Specification.
- Approving the Search Consultants, if the employer proposes to engage such resources (at the employer's cost).
- Approving the job advertisement, the media to be used and the scope of competition to be applied (e.g. open to overseas or limited to Jersey only or Jersey Civil Service only).
- Agreeing the candidate assessment methods to be used (e.g. Assessment Centres, psychometric profiling, and scenario exercises) and the constitution of the selection panels, including any Expert Assessors where necessary in highly specialist disciplines such as medicine or law.
- Participating as Chair or ordinary member of selection panels used for the long-listing, short-listing and final selection of candidates.
- Providing written endorsement of the appointment process, when complete.

The Commission has a broad range of professional experience amongst its Commissioners and also provides specific training for them in recruitment techniques.

### **Proportionality and Flexibility**

The Appointment Commission's Guidance and Codes for Recruitment afford it flexibility to accommodate exceptional circumstances in which normal recruitment procedures are impractical or imprudent. For example, where organisational restructuring takes place, redundancy and



redeployment issues may make the limitation of competition a more credible recruitment process when evidently suitable internal candidates are available. Similarly, in highly specialized areas of expertise, the “slotting” without competition, of an internal candidate who meets the specified requirements is often a justifiable exception to normal practice. The Commission does however require formal evaluation of individuals in these circumstances.

During the year, among the most senior appointments in which the Commission participated, seven were from outside the Island and competition was restricted in eight recruitments at the middle and senior level.

### **Equal Opportunity**

The Commission remains vigilant in ensuring that the principles of equal opportunity and diversity are upheld in public appointments and its Guidance and Codes demand care at every stage of selection not to discriminate either positively or negatively on the grounds of gender, race, age, religion, disability, marital status or sexual orientation. Women remain significantly under-represented among the candidates applying for senior public appointments. We can find no process-related reason for this situation and would recommend that Civil Service leaders examine whether there are any social or occupational barriers to the career development of women which the Service may be able to address.

### **Managing Expectations**

The Commission has placed strong, continuous emphasis on the importance of good quality Job Descriptions and Person Specifications as the template against which the best fit can be assessed between roles and candidates. Just as important as ensuring the successful candidate is right for the job, is that the job is right for the candidate. Generally, there has been great improvement in the definition of roles and the use of specified criteria against which candidates can be rigorously assessed. Similarly, readily available assessment tools have become more sophisticated and reliable in profiling candidates’ emotional and behavioural tendencies, which can be important indicators of fitness for the challenges involved at senior levels in the Public Service. This is particularly important when overseas candidates are being considered. The Commission is grateful to a small group of politicians who assist in familiarizing candidates for senior roles with the nature of the political and public interfaces in Jersey.

## **Complaints**

The Appointments Commission investigates all formal complaints of non-compliance with its Guidance and Codes of Practice for Recruitment. One formal complaint was received during 2010, which was dismissed following an in depth investigation into the circumstances. Although small in number, complaints most commonly arise among unsuccessful candidates for middle and junior management roles who have not been short-listed for interview. It is sometimes alleged that specified qualifications have been set higher than necessary but it is often found that this stems from misunderstandings relating to the specification for the roles, many of which are subject to increasing regulation, such as safety, aviation, environmental, health and finance.

March 2011

**APPENDIX A**

**JERSEY APPOINTMENTS COMMISSION 2010 ACTIVITIES**

The Commission met formally on four occasions and Commissioners expended collectively 100 days in their duties. The Commission's total costs including day-rate fees paid to Commissioners were £32,690.

**Senior Appointments completed**

**During 2010**

	<b>Extent of Competition</b>
Lieutenant Governor	unrestricted
Chief Officer HSS	unrestricted
Treasurer	unrestricted
Chief of Police designate	unrestricted
Chief of Police	unrestricted
Director of Environment	local
Operations Director, Social Security	local
Director of Financial Planning and Performance	unrestricted
Director of Accounting Services	unrestricted
Hospital Director	unrestricted
Managing Director Community, HSS	unrestricted

**Quango appointments**

Jersey Financial Services Commission (JFSC)	Commissioners x 3
Jersey Child Care Trust	Chair
Harbours and Airports Shadow Board	Chair
Harbours and Airports Board	Non Exec Dir x 5
Tourism Development Board	Board Member x 4
Jersey Arts Trust	Chair
Jersey Competition and Regularity Authority	Chair
Jersey Competition and Regularity Authority	Non Exec Dir
Jersey Finance Ltd	Board Member x 2
Pharmaceutical Benefits Advisory Committee	Chair
Jersey/Guernsey Brussels Office	Director of European Affairs
Jersey/Guernsey Brussels Office	Deputy/Advisor European Affairs
Tribunals and Appeals Service	Members
Family Nursing and Health Care (Jersey) Board	Members

**Not completed by year end:**

General Manager Air Traffic Control, Jersey Airport	
States of Jersey Development Corporation	Chair and NED's
Jersey Dental Fitness Scheme	Chair

**Other Appointments subject to exception from full competition**

Professional Advisor - Education Sport & Culture	Slot
Assistant Director, Policy, Ministerial Support & Change Assistant Director - Health & Social Services	Restricted Internal
Infrastructure Services Manager - Chief Minister's	Restricted Internal
Infrastructure Systems Manager - Chief Minister's	Restricted Internal
Assistant Director of Solid Waste - Transport & Technical Services	Restricted Dept
Recycling Officer - Transport & Technical Services	Restricted Dept
Tax Policy Senior Manager - Chief Minister's	Slot
Maintenance Manager - Treasury & Resources	Slot

**APPENDIX B**

**Jersey Independent and Quasi Independent Non Government Organisations (Quangos)**

Agricultural Loans & Guarantees Panel  
Audit (Internal) Committee  
Bank Depositors Compensation Scheme Board  
Bureau de Jersey  
Complaints Panel  
Commissioners of Appeal for Income Tax  
Criminal Injuries Compensation Board  
Data Protection Commission  
Data Protection Tribunal  
Ecology Fund  
Fiscal Policy Panel  
Greville Bathe Fund - Trustees  
Harbours and Airport Shadow Board  
Haut de la Garenne Trust  
Health & Safety Appeal Tribunal  
Health & Social Services Ministerial Advisory Panel  
Health Services Disciplinary Panel  
Health Tribunal Panel  
Jersey Arts Trust  
Jersey Advisory and Conciliation Service  
Jersey Appointments Commission  
Jersey Child Protection Committee  
Jersey Childcare Trust  
Jersey Community Relations  
Jersey Competition Regulatory Authority  
Jersey Conference Bureau  
Jersey Consumer Council  
Jersey Council for Safety & Health at Work  
Jersey Dental Fitness Scheme  
Jersey Development Company  
Jersey Employment Forum  
Jersey Employment Tribunal  
Jersey Employment Trust  
Jersey Family Nursing & Home Care  
Jersey Financial Services Commission  
Jersey Finance Ltd  
Jersey Fostering and Adoption Agency  
Jersey Gambling Commission  
Jersey Heritage Trust  
Jersey Law Commission  
Jersey Law Society Disciplinary Panel  
Jersey Overseas Aid Commission  
Jersey Police Complaints Authority  
Jersey Product Promotion Panel

PACT User Group  
Pharmaceutical Benefit Advisory Committee  
Planning & Building Appeals Commission  
Public Lotteries Board  
Rate Appeal Board  
Rent Control Tribunal  
Skills Jersey Board  
Social Security Advisory Council  
Social Security Medical Appeal Tribunal  
Social Security Income Support Medical Appeal Tribunal  
Social Security Tribunal  
Statistics User Group  
States Members Remuneration Panel  
Tourism Development Fund  
Westaway Trust