



One Gov Review Panel

One Gov Review

Witness: The Minister for External Affairs

Friday, 14th June 2019

Panel:

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

Deputy K.F. Morel of St. Lawrence

Deputy R.J. Ward of St. Helier

Senator S.C. Ferguson

Witnesses:

Senator I.J. Gorst, The Minister for External Affairs

Mr. T. Walker, Director General

[09:30]

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

Morning. Thank you very much for attending this One Gov hearing. I think you are very used to these hearings and you have obviously seen the witness notice. Welcome to the public. How would you describe the civil service when you became Chief Minister? Sorry, I have not ... I did mention the code. Sorry. The introductions, sorry. I am Karen Shenton-Stone, Connétable of St. Martin and Chair of the One Gov Scrutiny Panel.

Deputy K.F. Morel of St. Lawrence:

Deputy Kirsten Morel, member of the One Gov Scrutiny Panel.

Senator S.C. Ferguson:

Senator Sarah Ferguson, member of the panel.

Deputy R.J. Ward of St Helier:

Deputy Robert Ward, member of the panel.

Scrutiny Officer:

Gary Eisner, Scrutiny Officer.

The Minister for External Affairs:

I am Ian Gorst and I will be joined by an official Tom Walker in due course. So he will interrupt us, sorry.

The Connétable of St. Martin:

Thank you. I should probably start with my first question again. How would you describe the civil service when you became Chief Minister?

The Minister for External Affairs:

I have always been careful and it has always been important to me to separate out the structure of the service from the individuals. As soon as we ask ourselves how would we describe the civil service we are bringing them together. Still today I think, and I know from working with them, that there are lots of first-class people who are driven by public service and even if we look at some of the very recent reports that clearly says that. They are in a structure which drives them to assign their own approach and impinges creativity and innovation. If we are honest with ourselves, that has been the case for a number of years. You could say decades. While public finances were strong, some of the structure of the service, some of the framework in which officials worked, was not necessarily as important as I think it is today. It is fair to say during my first term we got lots of things done and we managed within the system because those good people overcame the system or the structure. As soon as we became aware that the effects of the recession were affecting the Island economy for a longer period than had initially been forecast, that put great pressure on public sector spending and funding and therefore putting pressure on Islanders through the tax system. It became apparent that there was a transformation and a change that was needed. In an island community, there is always a lot of disquiet about the civil service. There is always a lot of criticism of civil servants. What we had during that second term that I was Chief Minister was we had a number of Comptroller and Auditor General reports over the years. Not just the current Comptroller Auditor General but previous ones, talking about governance and structure and meeting international standards. What we also had was the Jersey Innovation Fund and we had reports looking at how that was structured. It looks like the wider as to control mechanisms and governments and structural

framework within the civil service. Then we had the independent review of child abuse. We focused really, or Islanders, and mistakes are fixed on the effect of ... and the position that children's services were in but that report went far wider and said some extremely pertinent but incorrigible things about the structure of government within which civil servants and employees were having to work. It became apparent to me that doing nothing was not an option.

The Connétable of St. Martin:

So, you say it was out of all this that the need for change was identified, it was not a single point it just ...?

The Minister for External Affairs:

For me personally as Chief Minister it was those 2 really difficult reports that drove me ... of course we were at that point. We had already envisaged when we extended the previous Chief Executive Officer's contract that we would have quite a long run to recruitment of the new Chief Executive. As I sat that day and read the report from the independent care enquiry it was absolutely apparent to me that we needed change and we needed to start that change as quickly as we could.

The Connétable of St. Martin:

Okay, thank you.

Deputy R.J. Ward:

Can I ask when P1 then was first conceived as a proposition?

The Minister for External Affairs:

Well, that is a good question because P1 includes everybody who seems to currently be fixating on the role of the Chief Executive and that is important. Both of those ... I mean, if you look at the Jersey Innovation Fund report it basically said nobody was ultimately in control because nobody ultimately had the ability to move money around or instruct others to deliver government policy. P1 did that but what it also proposed was a change to single legal entities, that is about silo working. So, things like the structure of ministerial government, people have been talking about that for a number of years ever since ministerial government started. Various States Members have brought forward proposals and propositions. For me, P1 was slightly a slow-burn in my thinking process that constantly being frustrated by being told that we had a government that was spending let us say for central tax payer money we do not think about the Social Security fund and the pensions and all of those arm's length bodies, £700 million. Constantly being told: "Well, no, Chief Minister, we cannot possibly do that because we have not got the money and I cannot make somebody else provide the money to provide the policy or service that Council of Ministers or Chief Minister wants." That is not what the States Assembly thinks, it is not what the public thinks and it is not good government. We

will even now say its Members are feeling a little bit frustrated. If perhaps even you, Deputy, you persuaded the States to do something and then a government comes along and says: "Oh, well, we cannot quite do that. We need to do this and we need to do the other." It is a work in progress of getting to a point where in a parliamentary democracy, parliament is supreme whatever we think about the executive when we look across the water and see how that can interplay. When you have got a minority executive, parliament is supreme. Therefore, when parliament asks for things to happen the executive should have a structure whereby it can say: "Okay, we are going to deliver. We are the servants of the executive, we are the servants of the people, we are going to deliver it." So, for me it was quite a slow-burn but again, it became absolutely clear through those 2 reports, Jersey Innovation Fund great idea absolutely necessary to stimulate innovation but ultimately nobody was able to say: "Do not do that, do this." Nobody was able to override the Chief Officer and say: "No, Council of Ministers wants this to happen." Individual Minister and Chief Officer could say: "No, law says I am in charge of this, not you." So it is difficult. It is not parliamentary, sorry, Tom, is it? Then if you look fundamentally at children's services and the historic abuse, the structure enabled the most vulnerable members of our community to in effect be side lined to be ignored. It did not matter how many times health ministers came forward and said: "We want more money," or came forward and said: "We need to put more money into children's services." The structure allowed it not to happen.

Deputy K.F. Morel:

I would just like to ... before we go on to ... the question I have in mind is, how can you be sure that the structure ... I do not want to get into a big discussion about children's services at all but it is just interesting you say the structure stopped it happening or did not allow it to happen as opposed to people or individuals?

The Minister for External Affairs:

Yes, it is a very good question because we ... that was a constant theme around the Council of Ministers table. Surely if we just move ... you can somewhere go down the chain and you can find the person that made the bad decision in any given instance. Of course you can do that and ironically, lots of people over time have been moved on from health, you know, we have had some pretty high-profile senior departures and even in children's services as well. So fundamentally people are working in a structure. That structure can either support good practice or it can hinder good practice and it can drive silos and it can drive a terrible culture. So you have got the structure, you have got the individuals themselves. You need the right individuals that want to do the best for Islanders. I come back to my opening point, most people that I work with day in and day out I could not ask for better people. I do know that some of the other non-government stuff I do in the charitable sector, I get fed back to me that there are people who right now are still blocking. I make the point to officials there comes a point where, yes, I want to see a different culture, I want to see a different

structure, we want to properly resource it but bad practice and people who constantly stand in the way, they have to be moved on as well. So it is the 3 bits structure, people and culture. Tom, you are itching.

Director General:

Only just to help with the panel's timeline and sequencing of events. So as the minister said there was a series of events that led to us bringing a paper of advice to the Council of Ministers in November 2017. So we had the work by Jessica Seymour Q.C. that reported in May 2017 on the Jersey Innovation Fund. Even though it was not in the terms of reference, Jessica Seymour intentionally ... you know, she said: "Well, this is not in my terms of reference but I am making an observation that the way that you deal with responsibilities between departments and ministers has led to a lot of problems that I am now diagnosing for you in my independent review." So Jessica Seymour pointed to structural problems as being a part and she felt she had to comment on that even though it was outside her terms of reference. We then had the independent Jersey Care Inquiry report and they identified in all that evidence they distilled it down to 10 key failings. One of those 10 was the silo working. They identified protectionism, territorialism in the structure as being fundamental to the failings that had led to people's lives to be harmed. Not just a failure in children's services, they were absolutely clear that that was a failing right across public sector agencies and institutions. They just said: "One of your 10 huge failings when you look back is you are failing to tackle this silo and protectionist and territorialist approach." You know, this is fundamentally leading to things that are so serious that they can damage people's lives.

Senator S.C. Ferguson:

Yes, but why did they take so long?

Director General:

So I will finish my explanation and perhaps come back to that. Then I think we had a series as the former Chief Minister says Comptroller and Auditor General reports. Then the latest one we had had been September around risk management. Again, that just made points about fundamental structures. That again just added to this and all of that led to the ministers asking for advice on how to tackle this and take it forward.

[09:45]

That led us to take a paper advice to the Council of Ministers in November 2017. If you want to request that I am sure the council will be happy to release that because that provides a nice summary of everything that led up to that November 2017 advice. Then I will pick up Senator Ferguson's question.

Senator S.C. Ferguson:

No, you do not need to. I mean, I am happy to ...

Director General:

Well, it is quite an important summary.

Senator S.C. Ferguson:

My point was that we had the Auditor General's report, we knew the problems because the previous 2 Chief Officers had explained those problems. You were in a position working for the Chief Minister ... Chief Minister? Ex-Chief Minister. So that I just query why it took so long to get to P1.

The Minister for External Affairs:

Sarah, that is a very good question but you of all people on the panel having served on previous health committees know that saying something, asking officials to do something with where we were does not mean it happens. We can both of us ... and the other 3 new members of the panel criticise us until the cows come home and they would be fair to do so and it would be fair for them to do so but my contention is this, we can try and learn from those failures of the past and as painful as the current change programme move forward.

Deputy K.F. Morel:

Can I just ask? Sorry, just very quickly summing up, what did you hope P1 would achieve? What did you hope to achieve with P1?

The Minister for External Affairs:

In a nutshell, a change to the silo mentality and culture, to changing the structure which can allow the culture to change.

Deputy R.J. Ward:

The change that you envisaged, was it on the scale that we have seen? Have you been surprised at all by the scale of change because you must have had time to get a picture of that notion of change?

Director General:

I will let the minister consider. From the point of view of the civil service, I think that to some extent we had expected perhaps even a bigger scale of change. I think that the work that has been done so far takes us an awful long way to where we need to be but it does not complete everything that needs completing. There are still structural things within the structure of ministers, with the need to

implement the single legal entity. We need to move away from individual corporations sole. I would perhaps view it ... if I was giving advice on this I would be advising that there are things that you need to push through as a government and there are things that need to go further than they have gone now. You can see that a lot has been done and a lot has been achieved but I am not sure that we collectively as an Assembly as a government as a civil service have pushed it all the way through as far as it could go.

The Minister for External Affairs:

So it is a very good question because what is the scope of the change that we see? So I absolutely envisaged fewer departments. I am not sure the current target operating model slims down the departments to deliver optimal efficiency across them. So I am not sure that that changes and that is quite as radical as I might have envisaged. We are all different personalities and therefore we all work differently and we all follow ... you know, those of us that follow management thoughts and other different favourites. So some people like Kotter they like to create the burning platform and everything is terrible and this is why I have got to change it. I am not a Kotter-ite, I am much more a Covey-ite: "Here is a problem, let us find a way of solving it together so that you have a win and I have a win. We are always thinking about the other one." So there is always going to be that difference of approach to delivering change. So for me, changing the departments I do not think that goes quite far enough because I think there are further efficiencies that we can deliver. We have not seen the culture change that I ... we have not seen it yet that I want to and still aim to see. So I am starting to hear anecdotally from some people that they are more settled, that they are slightly happier with the direction of travel but I am still hearing a lot of people who are very concerned. That with any big organisational change there is always uncertainty and uncertainty leads to concern. That is why I keep coming back in my narrative, and I know not everybody does this, but I think it would be good if we could all do this is to recognise that there is very, very few people in the public service who do not come in every morning to serve Islanders and do their best, give 110 per cent and are really good people. We need to find a way of better supporting them through this process and we need to find a way of acknowledging them. What was that report that was just done, the Team Jersey Report which is looking at culture, how we represented that. I make my views quite clear on this is the headline of that report is that we should be flipping thankful that we have got so many really good people who want to work for the public service on behalf of Islanders. But what happened, we focused on all of the negative things that ... staff: "No need to change," because they are experiencing the difficulties of the structure day in and day out trying to get people from across a department and we created a small group about 2 years ago of relatively young people across the departments who were coming up with innovative ideas. We got one or 2 across the line but the rest were stopped because of the silo mentality of the chief officers and the ministers. That is wrong. These are really good people that we are really lucky to ... a lot of them returning Jersey people who have gone off elsewhere and they really want to serve their Island. These people should be

pushed forward, we should be encouraging them but we should be changing the structure to make sure they can.

Deputy K.F. Morel:

So what would you say to those many talented people who have ...

The Minister for External Affairs:

I say what I have always been saying to them, I am not changing ...

Deputy K.F. Morel:

No, but there are people who staff the organisation.

The Minister for External Affairs:

Sorry?

Deputy K.F. Morel:

About those talented people who have been pushed out of the organisation. Many of them very talented, replaced by people ... not often replaced by people from elsewhere.

The Minister for External Affairs:

So we are pushing it, we are conflating the 2 issues. I am always disappointed when good people leave but I equally know from private industry, and this is a broad comment, it is not about the individuals, I equally know that you sometimes have to let good people go to further their own career and make the best for their own lives and their families lives. Again, if they are leaving because of they are being pushed out that is a totally different thing and that to my mind is unacceptable. We should not be pushing good people out. You are now asking me to comment on things which are no longer my responsibility. You have got the States Chief Minister coming into talk to you about what is happening currently. The other point about the interims and the people coming in and I have said this to the Chief Executive Officer and I have said it to the Director General sitting next to me, it comes back to a style of delivery change. My preference is not to bring so many people in and that has always been my preference. When we appointed the new Chief Executive we said that we would have a transition team of 4 people. Former Senator Maclean provided funding for that transition team and I absolutely stand by that. Picking up on the work of the previous Comptroller and Auditor General, looking at the state of the organisation absolutely necessary and important work. You do have to bring people in from time to time, my contention is it is how you bring them in. So if you bring people into support the existing good people, that can be a really positive experience. Both sides have to listen. Then you are looking at Covey's win-win approach. If you bring people in and it is happening as you are indicating, that is not so positive.

The Connétable of St. Martin:

Thank you very much for your answers. With all due respect we have got quite a lot to get through so could we keep the answers more concise. I think (overspeaking)

The Minister for External Affairs:

I would never knowingly ...

Deputy R.J. Ward:

One quick question in terms of process. There are 8 changes to senior leadership roles in the read Article the election, who signed those off?

The Minister for External Affairs:

Eight changes to senior leadership roles? Which ones are you referring to?

Deputy R.J. Ward:

I have not got a list of the actual ones.

The Minister for External Affairs:

So the Director Generals you mean?

Deputy R.J. Ward:

Yes.

The Minister for External Affairs:

They would have been signed off by the previous States Employment Board.

Deputy R.J. Ward:

Okay, and that would have been before ...

Deputy K.F. Morel:

It is in the middle of purdah.

The Connétable of St. Martin:

It was the middle of purdah, yes.

The Minister for External Affairs:

No, the decisions would have been before purdah because it could not be any other way because you only operate during purdah for absolute emergencies. So ministers are still operating of course but they cannot make the political decisions.

Deputy R.J. Ward:

Do you want to ...?

Director General:

Yes, that might have been the initial recruitment and appointment of Directors General. I think it was, that is what we said.

The Minister for External Affairs:

Yes, I think that is what it was.

Senator S.C. Ferguson:

What were the original aims of the reform programme?

The Minister for External Affairs:

I am slightly stumbling at what it is that you are wanting to look at. So one gulf comes out of a concept of an organisation that is not siloed and so it sort of describes a concept. You will have seen the current Chief Minister in his creation of his political oversight board or whatever he is calling it, has slotted into that oversight board a number of discreet projects and then were calling them all ... or they are being referred to as One Gov rather than One Gov is a concept of trying to get the organisation out of its silo mentality and to work together. I think you have seen a letter; the Chief Minister has written to the Chair about the projects that are within that oversight currently.

Senator S.C. Ferguson:

So what was the original budget allocated and one you have changes and over how many years?

The Minister for External Affairs:

No, because you are now going back to thinking that One Gov itself is a project. One Gov is the concept but if you ask the question about the individual projects ...

Senator S.C. Ferguson:

Did you not have an idea of how much it was going to cost?

The Minister for External Affairs:

What, to deliver a concept?

Senator S.C. Ferguson:

To deliver the One Gov concept, yes.

The Minister for External Affairs:

No, because that is not how it works.

Senator S.C. Ferguson:

How were you going to keep track of the money that was spent?

The Minister for External Affairs:

Well, I am not, I am doing External Relations. So when we ...

Senator S.C. Ferguson:

Yes, but at the time.

The Minister for External Affairs:

Just a minute, Senator, if you want the answer let us get to it. So One Gov is a concept built out of those independent reports that we want to change the structure and deliver a non-siloed government.

[10:00]

So that does not cost you anything to have those, a conceptual thought. Then you have to ask yourself how are you going to deliver that structure. Then you start thinking about projects, then you start thinking about costs. So the ...

Senator S.C. Ferguson:

So, what was your estimated cost?

The Minister for External Affairs:

Just a minute. So, do you want me to answer or not?

Senator S.C. Ferguson:

Well, I asked you a simple question what was the estimated cost to achieve One Gov?

The Minister for External Affairs:

No, so what you are ... see, you are still doing it. You are asking me what it costs to develop a concept?

Senator S.C. Ferguson:

No, I am asking you ...

The Minister for External Affairs:

It does not cost anything to develop that concept.

Senator S.C. Ferguson:

So you sit there and you think: "Ah, we are going to have change. What is it going to cost us?"

The Minister for External Affairs:

No, you do not. You think then you want one government that is not siloed. That is your first point, okay. That is what the independent reports told us we should do. Then you say: "So what is going to be required to deliver a non-siloed organisation?" So you look at all of the elements that need to change and you say to yourself: "Okay, it is going to cost us ... we need to change technology, it is going to cost us for the sake of argument you put in new systems, you do some work, new systems et cetera et cetera," £100 million let us just say. If you look at the others, you look at the training, you look at new target operating models. Of those bits you take the individual lines and then you cost them up and then you make decisions. So while I was Chief Minister, the former Treasury Minister Senator Maclean made decisions ... the total amount was about £4 million but they were decisions ...

Senator S.C. Ferguson:

£4 million for what?

The Minister for External Affairs:

Just a minute. I can just give you the paperwork if you prefer.

Senator S.C. Ferguson:

There must be a business case somewhere that says to do all the changes, it is going to cost us ...

The Minister for External Affairs:

Yes, Sarah. So, I can either carry on answering your questions or we can just have an unfruitful dialogue.

Senator S.C. Ferguson:

No, I just asked for a figure.

The Minister for External Affairs:

Yes. So I am getting to answering the previous Treasury Minister as I just said to you made decisions from contingencies of just shy of £4 million. What that did and these are all in the public domain so you would have been scrutinising them, Sarah, in your previous Scrutiny role. There was money for resourcing specialists. There was quite a bit of money for children's services so that could or could not go into this category depending how you wanted to do that. Money for reviewing the finance law and transformation. Money for looking at HR and money for leadership development. It started with some money just under £500,000 for Team Jersey. So what we were basically doing there was saying: "Okay, we need to spend some money in order to be able to start answering those very important questions about okay, if you are going to do this what is it going to cost, what is the need?" You start scoping it out before you then make the decisions to go or not. That is the work that we understood during those 6 months or so, 7 months.

Deputy R.J. Ward:

So, do you have an estimate of the total cost of the projects to deliver the final changes that will mean that we have this streamlined One Gov model of government?

The Minister for External Affairs:

What I do not want to do ... you invited me here to talk about when I was Chief Minister. What I do not want to do is tread on the toes of the current Chief Minister or the Treasury Minister who will be able to answer ...

Deputy R.J. Ward:

Okay. Did you have an estimate then?

The Minister for External Affairs:

Who will be able to answer your questions on those areas.

Deputy R.J. Ward:

Did you have an estimate when you started the project?

The Minister for External Affairs:

No, because it itself is not a project. It itself is a concept with lots of discreet projects underneath ...

Deputy R.J. Ward:

We know it would incur a cost.

The Minister for External Affairs:

... which are now costed and if you ask the Chief Minister and the Treasury Minister I am sure they will be able to provide those costs.

The Connétable of St. Martin:

Thank you. I think because we have got so much to get through we need to move on. So please move on to the appointment and role of the Chief Executive Officer. How is the appointment to the Chief Executive Officer made?

The Minister for External Affairs:

In line with the requirements of the appointments commission which has a special policy programme for the recruitment of the CEO (Chief Executive Officer). We had to amend the law in order to comply with those policy requirements issued by the appointments commission.

The Connétable of St. Martin:

So, when did the recruitment process begin?

Director General:

May 2017 was when the recruitment pack was issued. So obviously the process would have started a little before then in order for the Jersey appointments commission to set things up in the way that they felt was proper and appropriate. The recruitment pack was published in May 2017.

The Connétable of St. Martin:

Why has it been appointed a new CEO when the incumbent had not yet left his post?

The Minister for External Affairs:

Well, really for all of the reasons that we have already been discussing this morning. Sarah, like you challenged, it is about why is it taking so long. It was those independent reports that led me to the conclusion that we really need to get on and make the new appointment.

Director General:

Just to say the intention was not ever that there should be a gap between CEOs. The intention had always been that a CEO would be recruited while we still had a CEO and then there would just be a period of overlap while one started and the other finished. That was always the process.

Deputy K.F. Morel:

Can I just ask a clarification from the minister? You said you had to change the law in order to enable the appointments commission to ... I did not understand that.

The Minister for External Affairs:

The appointments commission had issued ... it is basically the policy that should be followed for the recruitment of the CEO.

Deputy K.F. Morel:

Why did it have to be changed?

The Minister for External Affairs:

It is technical but the law basically did not allow it to be followed in that way.

Director General:

The Jersey appointments commission would normally overly fulfil the role of external regulator on an appointment. So a participating panel but as the regulator in that panel, not as a member of the panel. For the post of Chief Executive, the chair of the appointments commission identified very early on that the appointments commission needed to participate in the panel and therefore they needed to bring in an external body to regulate them.

Deputy K.F. Morel:

Why did the appointments commission ... they have to participate I believe? They must have appointed the previous CEO probably must have been appointed in a way which did not have that as an issue?

Director General:

Not in the same way. The previous CEO was the deputy CEO and so was appointed to a deputy CEO ...

Deputy K.F. Morel:

Okay, Bill Oggie was not a deputy. He came in from the outside, how did he get ...?

Director General:

That pre-dated the Jersey appointments commission.

Deputy K.F. Morel:

Bill Oggie.

Director General:

Yes, yes, because Bill was ...

Deputy K.F. Morel:

Okay. Sorry, stop you there. Let us go back to it. So why did the appointments commission have to take part and not just act as regulator?

Director General:

The system usually is that you have someone on the panel from the civil service. So all the way up to the Chief Executives role to meet their guidelines you would have a senior civil servant who works for SCV on the panel. They identified that when they got to that very top job that could not happen. So I would not sit on the Chief Executive recruitment panel, that would not be appropriate. The existing Chief Executive could not because their own JEC guidelines prohibit the existing postholder sitting on the recruitment panel for their successor, that is not good practice. So we had this gap in then normal composition of a recruitment panel and the chair of the Jersey appointments commission determined that the best option was for the chair to fulfil that role but normally the most senior civil servant would perform. Then that would mean that they would need somebody else to regulate that panel from the outside. So a proposal was brought forward to the States Assembly to modify the law to enable this to happen which was scrutinised by Corporate Services Scrutiny Panel, debated by the Assembly and the Assembly decided in favour of that approach and making that change.

Deputy K.F. Morel:

The chair decided that the chair should take part? That is a very interesting thing to do.

Director General:

The chair recommended using her, the chair is a former civil service commissioner from the U.K. (United Kingdom), former chair of the judicial appointments, prominent member of the judicial appointments.

Deputy K.F. Morel:

I know the chair by now, believe me.

Director General:

So she is very eminent and I think that her advice carried weight within government but this was by far the best thing to do. I mean, it would be like ignoring the advice of the Senior AG, it is not something we would normally do.

Deputy K.F. Morel:

Interesting. We will look further into that, thank you.

Senator S.C. Ferguson:

Who was the new Chief Executive responsible to before he officially took up his position in January 2018? You were doing a lot of due diligence work but who was he accountable to?

The Minister for External Affairs:

To the Chief Minister and the Council of Ministers.

Senator S.C. Ferguson:

In the same way, how was he able to bring in consultants or interims before taking up his appointment officially?

The Minister for External Affairs:

He did not, the States Employment Board did.

Senator S.C. Ferguson:

The first thing we all knew about the new Chief Executive was through the appointments process. Well, nobody had had any contact with him before he appeared with the appointments process.

The Minister for External Affairs:

No.

Senator S.C. Ferguson:

Okay. Super, right. Okay, thank you.

Deputy R.J. Ward:

Can I ask when the CEO was aware of his appointment because there was a recruitment went out in May 2017 so how fast was that process? I am just trying to get a picture in my head of the timeline of it. If the recruitment pack went out, I would imagine that would be the first time anyone would have seen the recruitment pack? It had gone out and come in again. How quick before the interviews took place?

The Minister for External Affairs:

We can provide all that.

Director General:

The approach that the appointments commissioner saw was a mixture of advertising and headhunting. So I think it was maybe Odgers who did that contract. So, the Odgers head-hunters were working on this as well as it being released and advertised. Yes, so it probably would have been interviews June or something like that.

The Minister for External Affairs:

No. Well, I cannot remember off the top of my head but what I do know is the interviews did not take place until the release of the care inquiry report which was in July so it was after that. It was either the end ... sometime end of July or ... we will get you the timeline.

Deputy R.J. Ward:

The appointment was made before the paper of advice that you talked about was produced in terms of the changing of the government structure.

The Minister for External Affairs:

Yes.

Deputy R.J. Ward:

Was there any input from the new CEO on that paper of advice?

The Minister for External Affairs:

Well, let us be clear, we spoke with all the candidates about the implications of ... and they had done their homework. The Innovation Fund, the Care Inquiry. They had looked at Comptroller and Auditor General report so we quite openly during that recruitment process said: "So, what would you do to overcome these problems?" So we had already been thinking about that but we wanted to get their input.

Director General:

Indeed, I remember Odgers Berndtson the recruitment consultancy that the gentleman who was leading that came to see me to make sure that he had understood the structural problems and the challenges that we were facing and what the Care Inquiry and others had said so that he could discuss that with candidates so that all of the candidates knew at the time that they were expressing an interest exactly what would need to be tackled.

Deputy R.J. Ward:

Do you know was the successful candidate from the links of advert from headhunting ... was it headhunting or was it an advert, do you know?

The Minister for External Affairs:

I think that all of the candidates that came to interview but you are asking me now to remember something that was quite a long time ago, I think all of the candidates that came to interview were via the headhunting process.

[10:15]

The Connétable of St. Martin:

Can I just ask you, did you have a previous relationship professional or otherwise with the new Chief Executive Officer?

The Minister for External Affairs:

No.

Deputy K.F. Morel:

Do we know whether the appointments commission did in any way?

The Minister for External Affairs:

I do not think they did. I do not recall any conflict of interest being recorded. No.

Director General:

I do not recall anyone saying that they knew them. I will tell you that there was a grade 10 policy officer in my department doing housing and she had previously worked ... she is from Jersey but she had gone to the U.K. and had worked briefly in Westminster City Council and I think as a low-ranking employee. She had come across to us as a Chief Executive for the billwar 10.15.59 but she is the only person ...

The Minister for External Affairs:

Yes, but I did not know that until after we made the announcement and she said: "Yes, I have worked with him in Westminster."

Director General:

Yes, but that was the only person I can remember at all that expressed any prior knowledge.

Deputy R.J. Ward:

Just one thing about this timeline thing. You know they had the P1 the States, an evolutionary process in a way that came from ... might have a different impact. Where does the timeline of the

P1 fit in with the timeline of the appointment of the CEO? Do you think it got ... was there more after the appointment of the CEO or was that process ...?

The Minister for External Affairs:

It was a very relevant live issue in that during the recruitment process. I particularly raised it during that interview process and all of the candidates recognised that there was a need to change to give appropriate authority to the CEO in order to get ensure that money was rightly allocated and responsibility and accountability was rightly at the top rather than just one person being among 10 others. So of course, any of the incoming ... any candidate that had been successful would have been proposing and worked with the Chief Minister and the States Employment Board to bring forward such changes.

Director General:

Also, at the time there is Chief Officer for Community and Constitutional Affairs providing advice to the Council of Ministers on this was my responsibility, so I maintained that responsibility all the way through. It is my advice that I am responsible for providing. So inevitably once the Chief Executive had started to visit the Island I had some discussions with him about what my advice was because he wanted to understand in more detail what he had learned through the interview process and through the search consultant. But it is my advice.

Deputy K.F. Morel:

So as well as advice, Chief Minister, new CEO arrives. Essentially, what brief did you give him?

The Minister for External Affairs:

You really can see it in the pack that was sent out to all candidates. You were ... it is what I said to you, my view is you are coming into an organisation that needs some pretty big change but you have got some really great people. I do not know how many local DVs or Pete Ross's became DV something 10.19.08. A number anyway. These people that I had worked with and individually worked really well in their particular areas. We needed to change the culture, we needed to change the structure, we need to take people with us. So it was doing the due diligence. I think the Chief Minister will be shortly publishing the CEO's ... or at least talking about his KPIs in the first year. Doing the due diligence, look at the state of the organisation, think about reducing departments and restructuring and you need to stimulate the cultural change. The timeline again we will need to provide for you that the work force modernisation deal with staff had been rejected and therefore that was an issue that needed to be dealt with and picked up on as well.

Director General:

Just in relation to your earlier question, I have now had time to check in the pack and the pack is very clear, the recruitment pack. The closing date was 31st May. Initial interviews with Odgers the recruitment agency took place during the week commencing Monday, 17th June. Shortlisted candidates went for final interview week commencing Monday, 10th July.

Deputy K.F. Morel:

So, former Chief Minister, does the role that the CEO has played to date as someone looking on from the outside to some extent, does it reflect ... the role that he has been doing does it reflect your understanding of the original purpose and the intent of the role that you thought the CEO would come into play?

The Minister for External Affairs:

I think it does. This was never going to be an easy process and any 2 Chief Ministers are going to do things differently. This is the government the Assembly has waited for and the current government has taken forward the changes. Current Chief Minister works very closely with the new CEO and this is not easy. As I indicated earlier that for my part how we use interims and consultants my take is slightly different view on that but that is not to say they are not necessary. You could push the argument to me and it has been made to me, what else would you expect somebody to do to deliver change of this scale. I am not always right. The other issue I think has not been as strongly understood as I would have liked is the Island Jersey context of why we do things the way that we do. We have a largely consensual approach rather than sometimes an adversarial approach. That fits in with my personal management style or leadership style, it does not with everybody else. Therefore, I think that that will need to be worked on as well as this change programme goes forward.

Senator S.C. Ferguson:

You have already said that you were hoping for an improvement in efficiency and so on in departments which I think is all wanted, but was it your intention to increase the levels of management as has happened?

The Minister for External Affairs:

So we have not finished the programme, have we, to start with?

Senator S.C. Ferguson:

The target operating model is an increase in the ... it is a restructure of the management structure. It appears to be increasing the levels of management, that was my question. Was that what you expected?

The Minister for External Affairs:

First of all, I am not going to sit here and accept your contention that when we get to the end of this process management numbers will have increased. We have to look at the evidence at that point and these perhaps are questions that you put to the Chief Minister and the CEO as they come and talk about particular projects. From a political perspective, there are some areas where management bandwidth needs to be supported and increased and there are some areas where it can be reduced. We know that organisations with a flatter structure generally have better outcomes than organisations with a hierarchical structure. So if we go back to management, leadership styles I always want because I come from small private sector firms where you have a small, a flat organisation and you can deal with issues. That does put pressure on the person leading the organisation, I accept that, but managing people is the most important bit of any leadership role anyway.

Deputy R.J. Ward:

Were the plans to restructure the public sector already in development prior to P1 being presented to the Assembly in terms of I think you have talked about this in timelines. I am just trying to get a clear picture of the development of the P1, I know we have talked about it before. There were plans to restructure the public sector, in came the new CEO and a recruitment process from which you obviously drew a lot of ideas. How much did they fit into the plans that you already had or have they been radically changed by that process do you think?

Director General:

My experience of that from my law side of government was that I do not think that the start of 2017 I do not recall if we did have restructuring plans in place for the public service that would address the problems that were identified in the reports that came out during 2017.

Deputy R.J. Ward:

So workforce modernisation, you would not have done that?

Director General:

Workforce modernisation was around equal pay for work of equal value. That was not around dealing with departmental territorialism or protectionism. It would not have addressed any of that.

The Minister for External Affairs:

It would have helped facilitate it but let us remember it was rejected.

Director General:

The key point was that it was a facilitator but it was not itself a restructuring plan. So it was only during 2017 that the plans on how to restructure the public sector in order to start to move us away

from silo working were really developed. That was the function of the transition team which the Minister referenced earlier who were brought in during the latter end of 2017 in order to start the work in looking at the organisation and developing options. Or early 2018, I cannot quite remember.

Deputy K.F. Morel:

How much influence if any did the CEO have on P1 itself, the actual design of the P1, the law that was brought to the Assembly?

Director General:

P1 largely fell out of work that myself and my officers did on what was causing the silo working and what we can do to address it. The diagnosis was really two-fold. It was partly the consequence of deciding to establish each minister as a separate corporation soul which created a culture right at the very top of each department where ...

Deputy K.F. Morel:

So, just to get to the answer to my question, you are saying the CEO as in the new CEO, the current CEO, had none or very little influence on the design of P1? You are saying it was you and your officers?

Director General:

I am saying that we drove that and then once the Chief Executive had been announced and started to visit the Island ... and I met with the Chief Executive on a number of occasions when he was flying over because he wanted to understand what the solutions were. He knew about the problem through the recruitment process because that had been highlighted and he had read the reports, the same reports that we had read and he was very interested to understand what the solutions were. It was two-fold really, his interest, he was interested in the failings in the accountability structure and he was interested in any legal barriers to bring in the organisation together in a more unified way. So I spent time with the Chief Executive explaining how the current legal structures were, what was a legal impediment, what was not so that he had a really good understanding of that.

Deputy K.F. Morel:

Then did he turn around and say: "Well, make sure P1 reflects ways of breaking down those people barriers?" Is that something he would ...

Director General:

No, so for example the assumption on to the principal accountable officer fell out of 10.29.41 research that myself and treasury officials did. So we looked around for solutions. So we had read

the Jersey Innovation Fund report, we had read all of that and we thought, "There must be a better way of doing this, bringing here all of this into a single point of accountability."

[10:30]

So we had already been on with researching what potential solutions were. Same with the single legal entity, we had done that research with the assistance of The Greffier of the States and others on what an alternative structure for ministers could look like but would not result in territorialism and protectionism. So we had been on with that but we certainly discussed those 2 aspects with the Chief Executive when he was flying in the Island, what the legal structure was so that he understood that properly where we were now and what we thought the solutions were.

Deputy R.J. Ward:

So the new CEO did not come with solutions, he came with the skills to implement whatever solutions were there?

Director General:

Very much. Yes, very much. He brought the drive and leadership particularly into the public sector end of things. When we look at other similar jurisdictions that have moved like Scotland or the Isle of Man that are in the middle of moving, one of the big things is there is a political leadership but there is a public service leadership to say this is what we need to do. Got to get on and do this.

Deputy K.F. Morel:

Did you look outside the British Isles for example or mainly solely within the British Isles?

Director General:

Yes, we did New Zealand. So we looked quite hard at New Zealand, particularly on the single legal entity because they have adopted that approach and their government is generally well regarded as being forward thinking and aggressive. So we looked at New Zealand quite a lot. Looked at Canada, that was less use in this regard because of their federated structure. It did not really give us the same sort of answers. We looked at the work that the RAC had done around the RAC club of different structures. It just so happened that on the principal accountable officer, there was something very similar in New Zealand and elsewhere but we were able to see that the way that Scotland had addressed it would transpose quite easily into the way that we could address it. So that was where we learnt most of that from because that seemed to be the most transferable learning. Whereas single legal entity we took probably as much from New Zealand as anywhere else because again it was transferrable, they started where we started. So you could see the transition. So we looked all

round and we adapted ideas from different places. We have not lifted whole scale a solution from anywhere because Jersey, we are unique, we are not amenable to cut and paste solutions.

The Connétable of St. Martin:

Thank you very much. I am aware that we have overrun so I really thank you very much for your time. I also appreciate the fact that you have come in in your former role so thank you very much.

The Minister for External Affairs:

Thank you. I wish you luck with your review.

[10:33]