
STATES OF JERSEY



ESTATE MANAGEMENT (FOLLOW-UP) (P.A.C.3/2021): EXECUTIVE RESPONSE (P.A.C.3/2021 RES.) – COMMENTS

**Presented to the States on 16th December 2021
by the Public Accounts Committee**

STATES GREFFE

FOREWORD

In accordance with paragraphs 64-66 of [P.56/2018](#), the [Code of Practice](#) for engagement between ‘Scrutiny Panels and the Public Accounts Committee’ and ‘the Executive’ (February 2018), the Public Accounts Committee presents its comments on the [Executive Response](#) to its Report: [Follow Up Review of Estate Management](#) (P.A.C.3/2021).

Comments

1. A substantial part of the Public Accounts Committee’s (PAC) role, as set out in the [Standing Orders of the States of Jersey](#), is to investigate the efficiency and effectiveness achieved in the use of resources by States bodies, and/or the adequacy of the corporate governance arrangements within them. The PAC assesses whether public funds have been applied for the purpose intended by the States, and whether extravagance and waste are being eradicated and sound financial practices applied throughout the States departments.

Executive Responses

2. To aid its function as described in the preceding paragraph, the Committee requests a formal Executive Response to all C&AG and PAC Reports, within six weeks of their presentation to the States Assembly and subsequent publication. The Executive Responses are requested of the Chief Executive Officer and the Treasurer of the States and usually include input from the Director General and/or Accountable or Senior Officers of the relevant States’ body (in this case, a States Owned Entity and Government Departments). An Executive Response should include information on which recommendations of the report have been accepted, which have been rejected (and why), together with an action plan and target dates for a named responsible officer to implement the agreed recommendations. The PAC then presents the formal Executive Response to the States Assembly, with or without its own comments. It will usually only follow up with comments when it requires further clarification on the Executive Response and/or is seeking further evidence.

Purpose of PAC’s Comments

3. The PAC received the Executive Response to its Estate Management report on time; however, it is disappointed to note that of its 28 recommendations, seven are only ‘partly accepted’ and four are ‘rejected’ outright. Furthermore, none of the ‘accepted’ or ‘partly accepted’ or ‘partially accepted’ recommendations has been assigned to a named responsible officer. Given that a central theme running through the PAC’s report and giving rise to several recommendations, was that there was a lack of clarity around key roles and responsibilities with no recognisable ‘driver’ to progress Estate matters, the Committee is particularly disappointed at this oversight by the Government.
4. The Committee also considers that some recommendations which have been accepted either in part or in full warrant further explanation as to their implementation and/or dates for completion than provided by the Executive Response. The PAC seeks clarification from the Government on whether there is a distinction between the terms ‘partially accepted’ and ‘partly accepted’ as

stated in the Executive Response. Further, it is seeking clarification on why the ‘rejected’ recommendations are not accepted, and what alternative arrangements for improving Estate Management are to be put in their place.

Regeneration Steering Group

PAC Recommendation 1	Executive Response
<p>The Regeneration Steering Group should, without delay, review its membership and update its Terms of Reference, encompassing:</p> <ul style="list-style-type: none"> • its relevance to, and alignment with, all aspects of Public Estate acquisition, disposal, repurposing and management, referencing the ‘drivers of’ and triggers for, all Public Estate activities • its place in the governance structure of the Government, including (but not limited to) its relationship with States Owned Entities, Arms-Length Organisations and the Corporate Asset Management Board • a clear and objective referral and decision-making process for property/land through the governance structure, based on clearly understood criteria, such as size, cost and/or strategic importance in the Public Estate. 	<p>(Accept) RSG review has taken place in the form of a series of interviews with Members and key stakeholders.</p> <p>The feedback and responses from the interviews have been consolidated (November 2021).</p> <p>Key findings and common themes have been identified, together with a series of recommendations brought forward (November 2021).</p> <p>Implementation of recommendations commence (December 2021-January 2021).</p>

Further Action Required: The PAC is not satisfied with the brevity and lack of detail in the response and seeks further details including a list of the Members and key stakeholders interviewed, together with summaries of their evidence, the key findings, common themes identified and recommendations. It also seeks assurance that the review of the Regeneration Steering Group included discussions on updating the legislation underpinning its current remit. Further, the Committee seeks to view the action plans which accompany the proposed implementation of those recommendations, by 14 January 2022.

PAC Recommendation 2	Executive Response
<p>The Regeneration Steering Group should present to the States Assembly its updated membership, function, role, responsibilities, aims and objectives.</p>	<p>(Accept) As a follow on from R1, the outcome of key findings and recommendations will be presented to States members. (February 2022)</p>

Further Action Required: The PAC considers that the response to the recommendation is appropriate. It requests to be provided with the action plans and

other evidence as previously stipulated under ‘Further Action Required’ to Recommendation 1, by 14 January 2022.

PAC Recommendation 3	Executive Response
Mechanisms should be put in place to monitor and track the overall effectiveness of the Regeneration Steering Group to ensure it is fulfilling its agreed role and is providing value for money.	(Accept) As an outcome of the review this will be implemented as part of the recommendations action plan timetable (March 2022).

Further Action Required: The Committee considers that the response to the recommendation is appropriate. It expects to see detailed evidence of the ‘recommendations action plan timetable’ including named assigned senior officers, realistic deadlines and the project management process and methodology (including identification of, and mitigation plans for, risk factors), by 14 January 2022. This is to ensure that the Committee can be satisfied that there will be minimum delay to the proposed delivery date of March 2022.

Corporate Asset Management Board (CAMB)

PAC Recommendation 4	Executive Response
The Corporate Asset Management Board (or its replacement senior officer-led body) should define and establish its relationship with departments (including non-Ministerial), States-Owned Entities, Arms-Length Organisations, and the Regeneration Steering Group in respect of its core function to co-ordinate, prioritise allocate and develop the property needs of the various elements of the Government.	<p>(Partly Accept) The CAMB's current terms of reference predominantly relate to the delivery and support of the assets under the Island property estate strategy. CAMB has limited ability to affect ALBs as their assets are managed under their own governance structures and have their own strategies applied to them.</p> <p>There is however a positive and active relationship with the ALB's in respect of discussions around those sites and assets which are considered for transfer to the ALB's. This is on track with relationships being defined and co-ordinated with the work underway to redefine the function of the RSG. March 2022 - RSG review (See R1)</p>

Further Action Required: The PAC notes the response states that the Corporate Asset Management Board has a ‘limited’ role with respect to States Owned Arms-Length Bodies (ALBs). The PAC heard evidence during its review that there are no ALB representatives on the Corporate Asset Management Board. The PAC considers this to demonstrate a lack of ‘corporate parenting’ or joined up thinking in the Government’s approach to Estate Management. The Committee reminds the Government that, ultimately, all States-owned properties are owned and managed by the States and ALBs should adhere to [Common Strategic Priorities](#) and maximise benefit to Islanders.

The PAC urges the Government to review its Memoranda of Understandings ((MoU) and Schemes of Delegation with ALBs to engage them more effectively in the overall Estate Strategy implementation. A Memorandum of Understanding agreement (or equivalent) between the States and the ALBs, if not already in place, should be developed to clarify the agreed use of land and property, plus current and anticipated needs of the users, while recognising the States' ownership and ultimate authority over all such assets.

With better engagement with such bodies, the PAC is convinced that ALBs would be reminded of the overall responsibility of the Corporate Asset Management Board as defined in the [Estate Management Strategy](#). The States, through CAMB, has the ability to reallocate use of these properties/land, if and when required. This would allow Recommendation 4 to be fulfilled as per its intention, that is, 'to co-ordinate, prioritise, allocate and develop property needs'.

A further response from the Government on this recommendation is sought, demonstrating a clear 'delegation of authority', making clear the financial level and change-of-use level that would be delegated to ALBs and setting out when such bodies would need to seek approval from CAMB for higher-level changes.

PAC Recommendation 5	Executive Response
The Corporate Asset Management Board should demonstrate centralised leadership and proactivity by establishing a clear 'delegation of authority' to incorporate all aspects of States Estate acquisition, disposal and management.	(Partly Accept) CAMB has been established as the delegated authority under clear executive and political oversight, and has delivered co-ordinated and agreed recommendations on operational property assets, which demonstrates centralised leadership on the disposal and acquisition of assets. The recommendation cannot be fully accepted as CAMB delegated recommendations are then reviewed by the States Assembly under Standing Order 168 for approval. (Ongoing)

Further Action Required: The PAC fully accepts that under [Standing Order 168](#), which relates to Land Transactions on behalf of the Public of Jersey, the recommendations of the Corporate Asset Management Board are reviewed and ultimately decided upon by the States Assembly. However, this does not negate the need for a comprehensive joined up rationale underpinning each of its recommendations, having ascertained competing needs.

In order for the PAC to see evidence of the delivery of 'co-ordinated and agreed recommendations', it requests 2 specific examples: the reports and associated papers, plus minutes of any meetings, including those to RSG, leading up to and including the decisions on the use of Piquet House and St Saviour's Hospital. This would help the PAC understand better the process for such recommendations, taking into account the rationale and competing needs' assessments of both properties. It would help to assure the Committee that, contrary to evidence it received, CAMB

delivers centrally leadership and co-ordination on the disposal and acquisition of assets. The PAC would like to receive this additional evidence by 14 January 2022.

PAC Recommendation 6	Executive Response
<p>The Corporate Asset Management Board (or its replacement) should, as a matter of urgency, consider how to function as the body charged with delivering the Corporate Asset Management Plan and ensuring effective implementation of the Estate Strategy.</p>	<p>(Accept) The development of corporate asset management plans will be driven by all of the stakeholders, in the context of the agreed Island and Government plans. The delivery of asset management plans is a primary function of CAMB and is clearly set out in the CAMB terms of reference. The effectiveness of this core activity will be reviewed and changes will be put in place should it not be performing as intended. (Q1 2022 Ongoing)</p>

Further Action Required: The Committee is concerned that the response does not address the recommendation in full. It considers that requesting and ensuring that asset management plans be developed as per specific guidelines, not just their delivery, needs to be initiated by the Corporate Asset Management Board. The PAC will monitor closely the progress of developing all asset management plans and looks forward to seeing how its recommendation is progressed through the Government's Recommendations Tracker.

PAC Recommendation 7	Executive Response
<p>The Terms of Reference, clarifying and updating the function, roles and responsibilities of CAMB (or its replacement), stating its aims and objectives, should be presented to the States and published thereafter.</p>	<p>(Accept) The terms of reference for CAMB (or its replacement) will be presented to the States Assembly and then published (Q1 2022)</p>

Further Action Required: The Committee considers that the response to the recommendation is appropriate and asks to view the Terms of Reference for CAMB (or its replacement) in advance of their submission to the States Assembly.

PAC Recommendation 8	Executive Response
<p>Mechanisms should be put in place to monitor and track the overall effectiveness of the Corporate Asset Management Board to ensure it is fulfilling its agreed to role and is providing value for money.</p>	<p>(Accept) CAMB will establish and publish an annual "State of the Estate" report that will monitor the key performance indicators of the objectives set out in the in the Island Property Estate Strategy. (Q1 2022)</p>

Further Action Required: The Committee welcomes the proposal to establish and publish a report as described in the Executive Response. However, given the strategic and financial importance of the Estate, it considers this should be every six

months to identify areas of risk and as such, would provide a timely and accurate appraisal of the ‘State of the Estate.’ The PAC considers that any such report should also include the performance of the Corporate Asset Management Board itself, against key performance indicators and PAC/C&AG Recommendations Tracker updates.

PAC Recommendation 9	Executive Response
A coherent and objective rationale for the acquisition, disposal of and management of the property in the Public Estate must be established.	(Accept) The Public Estate strategy and related asset and management plans, in the context of the Island and Government Plans, will provide the rationale for the acquisition, disposal of, and management of property. (Q1 2022)

Further Action Required: The PAC commends the response to its recommendation; however it seeks clarity and further evidence on how this will be delivered within the stated timeframe of Q1 2022, and requests immediate notification of any delay to the proposed timetable.

The PAC looks forward to seeing evidence that each specific acquisition or disposal of property is in accord with an established ‘delegation of authority’ guideline and is documented and reported in detail. This should include the key decision-making criteria, alternatives considered and competing needs assessed. Evidencing such methodology will promote public confidence in those entrusted to manage the States Estate. The PAC also seeks assurance and evidence of a plan for when there are other land or property uses/requirements identified that require more immediate action to meet Island needs.

PAC Recommendation 10	Executive Response
The Corporate Asset Management Board should, as a matter of urgency, develop a 5-year asset management plan, which would describe the tactical elements, that is, the intent for any property, drawing from the Common Strategic Policy and/or the Government Plan and other initiatives such as ‘Putting Children First’ and the Wellbeing programme, where progress against the Estate Strategy would be monitored on an annual basis.	(Accept) See recommendation no.6, although it is more appropriate for the Asset Management Plan timeframe to be coordinated with the 4- year government planning cycle. (Q1 2022-ongoing)

Further Action Required: The PAC accepts the response to the recommendation, including the appropriateness of the Asset Management Plan timeframe to align with the 4-year Government Plan cycle.

PAC Recommendation 11	Executive Response
A clear and objective referral process of property/land through the governance	(Partially Accept) A review of the governance structure is currently

structure, based on clearly understood criteria, such as size, cost and/or strategic importance in the Public Estate (delegation of authority) should be included in the Terms of Reference of the Corporate Asset Management Board (or the officer led body designated to 'drive' the rationalisation of the Public Estate).	under way and this will inform the criteria to be used to 'drive' the rationalisation of the public estate. A paper will be discussed and agreed at CAMB and any changes will be reflected in either updated internal policy guidance, or if necessary, the CAMB terms of reference. (Q1 2022)
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Further Action Required: The PAC is unclear as to why this recommendation has been deemed only 'partially accepted' when the body of the response sets out agreement and proposed action to fulfil the recommendation. Furthermore, the Committee seeks clarity on why there is a need to review the governance structure when it has already undergone a review. Whilst supporting the proposed plan, the PAC seeks an explanation or rationale for not incorporating its Recommendation 11 into the findings and ultimate proposal to the States.

PAC Recommendation 12	Executive Response
Greater emphasis should be placed on advancing the Estate Management implementation plan including completion of all Asset Management Plans for all States-owned properties.	(Accept) The 52 actions identified in the Island Property Estate Strategy, form the basis for the 'Estate Management implementation plan' and the delivery of Asset Management Plans for all Government owned properties is a high priority in this plan. See also the response given to recommendation no.6. (Q1-ongoing)

Further Action required: The PAC welcomes the acceptance of its recommendation; however, it requests the Government to accept recommendations 4, 5, 6, 7, and 8 in full and ensure that the Corporate Asset Management Board commits to overall responsibility for ensuring that asset management plans and specific target completion dates are presented to the States (and shared with PAC). The PAC recognises that such plans can change over time, under the guidance of CAMB, but delivering asset management plans and delegation of authority guidelines regarding States owned properties will demonstrate a commitment to improving the overall management of these assets.

Stakeholder Engagement

PAC Recommendation 13	Executive Response
The DG of IHE should without delay, engage in comprehensive, consistent and regular stakeholder engagement, in order to determine their needs, as well as to ensure that any future acquisition, disposals or improvement to properties take into account their requirements.	(Partially Accept) Stakeholder engagement is undertaken through the regular CAMB and ELT meetings and wider engagement will be carried out with other key stakeholders, where appropriate. It is not however within the remit of DG IHE to determine the needs of other departments, but rather

	to support their strategic direction and decisions where possible. This will be informed and supported by improved digital engagement with non-Ministerial and community groups and other key stakeholders, whilst the governance structures put in place with the ALO's will provide feedback on other property requirements and decisions. (Ongoing).
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Further Action Required: The Committee is concerned at this only partial acceptance of the recommendation. The recommendation was borne from a need to progress engagement with stakeholders, including a named responsible officer taking ownership of the collation of comprehensive property needs' assessments from all departments. The response states that it 'is not within the remit of the Director General of Infrastructure Housing and Environment (IHE) to determine the (property) needs of other departments.'

This recommendation to DG of IHE was in his corporate capacity as the Chair of the Corporate Asset Management Board which is supposed to be responsible for the delivery of asset management plans, as clearly set out in the CAMB terms of reference. The PAC is not recommending that the DG IHE determine, independently, departmental property needs, it is recommending that CAMB be the driver in requesting and collating those needs.

One of the many problems with current Estate Management is that there is no co-ordinated, consistent, or timely approach to establishing competing property needs so that prioritisation of those needs could subsequently be assessed. There is currently an *ad hoc* process on 'first come first served' basis which is supposed to be initiated by the department without prompting by any central body. This process is not understood or followed by all departments as evidenced at length in the PAC's report. The PAC asks if it is not for CAMB (and therefore the Chair of CAMB) to be the driver in instigating the centralised collation and co-ordination of asset management, then who should have that responsibility?

The Committee requests the Chief Executive Officer to reiterate the corporate OneGov nature of roles such as Chair of the Corporate Asset Management Board, with the inherently wider perspective than that of a Director General, including the needs of the Island as a whole. Regular CAMB meetings should be minuted with actions and timetables so that deadlines can be achieved. The PAC strongly encourages the Government to accept the PAC recommendations including establishing clear overall responsibility for Government owned estates and properties. Once agreed, CAMB can and should take the initiative to request and ensure completion of acceptable asset management plans including collecting and understanding all property needs (as per size and strategic importance levels defined in the delegation of authority guidelines).

States of Jersey Development Company (SOJDC)

PAC Recommendation 14	Executive Response
In using the SOJDC-commissioned review to inform whether it should remain the 'appropriate vehicle' to deliver the Government's property and asset objectives, the Government should be mindful of the potential for bias.	(Partially Accept) The ALBOB provides a level of oversight to ensure that no such bias exists. (Q1 2022 – check)

Further Action Required: The PAC seeks clarity on the exact role that the Arms-Length Body Oversight Board has in respect of receiving the forthcoming SOJDC-commissioned report. Furthermore, it notes that the report, which was due to be completed by October 2021, has not been sent to the PAC, despite repeated requests. The Director General, IHE, in response to prompting for an update on the status of the report, advised by email on 13 December 2021, that, "I assume we will received [*sic*] by end of 2021. Then we need to digest and report to the necessary groups we have, including RSG (Regeneration Steering Group) and COM (Council of Ministers), then release to PAC. So, I would work on a date of end of January/early February (2022)."

The PAC requests the Chief Executive Officer to explain the delay of this report, given that he stated to the Committee in his letter, dated 30th August 2021 that the SOJDC - commissioned review, looking into the relationship between it and Jersey Property Holdings, could '*potentially shape the future operations of SOJDC*').

PAC Recommendation 15	Executive Response
The Executive should undertake to review the purpose and aims of the States of Jersey Development Company in line with the C&AG's recommendations by Q1 2022.	(Accept) The Minister for Treasury and Resources is planning to initiate exactly such a review after the outcomes of the work of Jersey Property Holding and SoJDC is complete. This will be a wide-ranging assessment of the original intentions of P.73/2010 to determine the most appropriate vehicle for the ongoing delivery of Government's property and asset objectives. (Q1 2022)

Further Action Required: The PAC notes that the stated commencement date of Q1 2022 is highly unlikely, given that the SOJDC-commissioned report will not be available until January/February 2022 as advised by the Director General of Infrastructure, Housing Environment on 13 December 2021 and recorded under 'Further Action Required' to R14. However, it welcomes the acceptance of its recommendation to undertake a review in Q1 2022 and requests a specific completion date. It also requests to be formally notified of any slippage in the implementation timetable for this, or any other, recommendation.

States Owned Entities (SOEs)

PAC Recommendation 16	Executive Response
The role of the Arms-Length Organisations Oversight Board (ALBOB) in respect of the implementation of the Estate Strategy should be clarified immediately.	(Reject) The ALBOB has a limited role in the implementation of the Island Property Estate Strategy as the property that has been allocated to Ports, SoJDC and Andium is specifically identified as having to be used for commercial benefit, and the provision made for community and society benefit is indirect.

Further Action Required: The PAC is concerned by the rejection of its recommendation and the explanation in the response to it. The Committee seeks to understand who in Government should be taking a role to work effectively with States owned entities on the implementation of the Estates Strategy, if not the Arms-Length Body Oversight Board (or CAMB).

The response seems especially incongruent with the response to Recommendation 14, which states that the ALBOB will provide a level of oversight to ensure that no bias exists in an SOJDC-commissioned report which will set out its relationship to Jersey Property Holdings. Again, the Committee requests the Chief Executive Officer to clarify roles, responsibilities and ‘drivers’ to progress the Estates Strategy and take ownership of such progress.

PAC Recommendation 17	Executive Response
The Arms-Length Organisations Oversight Board (ALBOB) should undertake a Strategic Review of States Owned Entities, at the earliest opportunity, with the aim of aligning SOE/ALO property strategy and management with the corporate landlord model. The review should focus on what parts of the States Estate should be kept, what should be sold and what should be put into regeneration or infrastructure and social housing projects.	(Reject) This recommendation is rejected because the ALBOB does not have the remit or legal framework to overturn commercial decisions taken by the independent entity.

Further Action Required: The PAC is disappointed to note the rejection of its recommendation and reiterates its comments on this response as per Recommendation 16.

PAC Recommendation 18	Executive Response
A Strategic Review of the responsibilities and working relationships between ALBOB, RSG	(Partially Accept) A strategic review will be part of the work already being progressed under the response to recommendation 1-3, in which the

and CAMB should be undertaken as soon as possible.	roles, responsibilities and relationships between CAMB, the RSG and ALBOB are covered. (March 2022)
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Further Action Required: The PAC reiterates its comments as per previous recommendations and responses. It will monitor progress via the Recommendations Tracker and will seek regular updates from the outgoing interim Chief Executive Officer and the incoming Chief Executive Officer whose tenure is due to commence by the end of Q1 2022.

Target Operating Model

PAC Recommendation 19	Executive Response
The role and responsibilities of Jersey Property Holdings should be revised as soon as possible, with particular regard to clarifying its expected role in the implementation of the Estate Strategy.	(Partially Accept) The implementation of the new JPH TOM structure review has been developed to specifically support the delivery of the property strategy. Once the transfer in of those elements of the portfolio that are currently outside the JPH portfolio is completed, it will then be appropriate to carry out a review of the roles and responsibilities of JPH. (2023)

Further Action Required: The PAC seeks assurance that the urgency for clarity of roles and responsibilities within the division of JPH is recognised. The PAC considers it should demonstrate delivery of its core objectives before embarking on a transfer of elements of the portfolio currently outside of its remit. The Committee is also mindful that the current Estate Strategy still does not have an implementation plan underpinning it to ensure its successful delivery, more than a year after the Strategy itself was drafted. Furthermore, the PAC is concerned at the timescale given in the response to this recommendation (2023) which appears to indicate a lack of urgency or importance that the Government places on resolving the issues.

The PAC requests the Chief Executive Officer to address its concerns as a matter of urgency as it considers clarification of the roles and responsibilities of Jersey Property Holdings to be central to any delivery of a comprehensive Estate Strategy.

PAC Recommendation 20	Executive Response
There must be an urgent assessment of the human and financial resources needed to deliver the implementation of the Estate Strategy.	(Reject) This work has been reviewed as part of the delivery of the new TOM structure. See responses to recommendations 19 and 22 for further reference. (Completed)

Further Action Required: The Committee considers that the level of vacancies (over a quarter of its workforce for IHE and a third for JPH) puts at risk the delivery of the Estate Strategy. Therefore the level of resources being directed to

implementing it must require review. The Committee is pleased to note that the assessment of the human and financial resources needed to deliver the implementation of the Estate Strategy has been completed and requests to view the implementation plan along with the identified staffing needs (both in place and additionally required) and associated financial resources.

PAC Recommendation 21	Executive Response
The Infrastructure, Housing and Environment Department should include in future Annual Reports an assessment of the effectiveness of the property function (including maintenance functions), incorporating fully developed and operational performance indicators and target completion dates.	(Accept) This will be included in the IHE annual performance report, although the first instance in 2022 will not be a complete report as a number of the indices to measure KPIs will have less than 12 months of data to support them. (2022)

Further Action Required: The PAC is pleased to note the response to its recommendation and suggests that the indices not included in the 2022 report be noted in the report with clarification that they will be added in 2023. This will provide a more complete picture of how performance will be tracked in the future.

PAC Recommendation 22	Executive Response
Filling vacancies in IHE/JPH needs to be given top priority.	(Accept) Options are being pursued in three areas to address the pressures caused by the recruitment and capacity issues within JPH : - The Communications Department will be engaged to improve public perception and address some of the incorrect assertions that have circulated - Where appropriate, short term contractor surveyors will be employed to deliver non-contentious and non-sensitive tasks. - We will seek greater assistance from the central HR Resourcing Team to access different recruitment pools / markets, and by working with the central Commercial Team establish a framework of rates for tasks that can be outsourced. (2022)

Further Action Required: The PAC welcomes the response to this recommendation and is pleased to note that initiatives are being taken to fill vacancies in IHE/JPH. The Committee requests an update by Q2 2022 to satisfy itself of the effectiveness of the proposed initiatives.

Property Maintenance

PAC Recommendation 23	Executive Response
As a matter of urgency, clarification of overall responsibility and management of property maintenance, as envisaged in the Estate Management Strategy and One Government objective should be put in place to obtain economy of scale cost benefits, efficiencies and appropriate risk management of this function.	(Accept) Currently in hand with plans to transfer property from JHA and CLS on 01/01/2022. This will be 26 properties in total, including significant office/administration accommodation and the two main fire stations at Rouge Bouillon and Les Quennevais. Beyond this, work is underway to transfer other properties within the next twelve months including those currently managed by GoJ Police. (Q4 2022)

Further Action Required: The PAC requests to view a list of all States owned properties that will have maintenance managed centrally and those which will still remain outside central control by year-end 2022. It also seeks details of the plans to capture any maintenance efficiencies for remaining properties outside central control by end of 2022 and/or plans to incorporate them after 2022.

Concerto

PAC Recommendation 24	Executive Response
The PAC urges the IHE Department and its Property Division to undertake a cost-benefit analysis of the Concerto system to understand where mistakes were made and how they can be avoided in the future.	(Reject) It is considered that the Concerto system has been successfully implemented in JPH, but as part of a wider Government review, is to be replaced in 2022 with the new enterprise asset management system (SAP). Given this, and the resources needed to divert to this activity away from other higher priority actions, it is not recommended that we undertake a review on a system that is soon to be replaced.

Further Action Required: The PAC is greatly concerned at the rejection of this recommendation as it appears to demonstrate that the IHE department is not willing to undertake an important ‘lessons-learned’ exercise. It is not clear how the assertion that Concerto had been implemented successfully can be made in the absence of a post implementation review. The Committee received some evidence that the implementation had not been entirely successful, demonstrated by, amongst other things, the inability to access basic management information on the state of the Estate and properties within it.

The Committee considers that to embark on a costly IT project without learning lessons from the previous project, is short-sighted and not in keeping with providing best value for taxpayers’ money. Given the expenditure and work done to date, the PAC requests the Chief Executive to undertake at least a high-level assessment of key learnings so that the findings can be used to improve the new system.

The PAC also requests full disclosure on the cost of Concerto system, the cost of the new system, and the cost to move the data over to the new system.

PAC Recommendation 25	Executive Response
Any future asset management system should be fully utilised, to ensure value for money and aid a co-ordinated approach to property management and maintenance.	(Accept) This recommendation is in alignment to the ITS Programme and will drive a single solution which is integrated across all enabling functions. It will also promote a common set of processes to ensure GoJ improves the quality of data, standardises asset management, provides economies of scale, ultimately reducing costs of managing our assets, improve compliance and overall reliability. (Q1 2023)

Further Action Required: The PAC is supportive of the plans outlined in the response to this recommendation. It requests that specific performance measures be established and tracked to ensure objectives are being met. Given the importance of this initiative, these performance measures and tracking of performance should be included in relevant Government reports, including Annual Reports.

Disability Legislation

PAC Recommendation 26	Executive Response
A detailed plan to ensure all States owned properties comply with disability legislation should be put in place and shared with stakeholders and property users clarifying needs and priorities along with associated implementation plans and anticipated costs and timing.	(Accept) A Government accessibility and diversity team has been established to work through these issues. It is relying on surveys and reviews commissioned from the local Diversity charity Liberate and funds have been established in the Government Plan to implement the recommendations. The detailed survey plan is being addressed with the only constraints the ability of Liberate to complete the reviews. (Completed and ongoing programme of work)

Further Action Required: The PAC acknowledges progress in this area but requests a specific date when appropriate compliance of all States-owned facilities will be in place and a mechanism established to ensure these properties remain in compliance. Even though the response indicates the recommendation is ‘complete and ongoing’, the PAC expects to see it added to the Recommendations Tracker so that progress can be monitored closely.

PAC Recommendation 27	Executive Response
The designated ‘responsible’ team should produce an up-to-date, coherent and cohesive Property Management and Maintenance programme to include a programme/schedule of works on all buildings in the States Estate, linked to the Estate Management Strategy with regard to short-term/medium term and long-term plans for each property	(Accept) There is in place a pre-planned maintenance programme. The property management and maintenance programme has to balance a limited budget against the needs of a portfolio that includes heritage assets. The priority is to ensure that we have a safe and compliant estate. The re-organisation and setting up of the strategy team in JPH will enable us to deliver longer term management plans for each property. (Complete and ongoing)

Further Action Required: The PAC welcomes acceptance of the recommendation. It requests a specific date when appropriate compliance of all States owned facilities will be in place and a mechanism established to ensure these properties attain and remain in compliance. Even though the response indicates the recommendation is ‘complete and ongoing’, the PAC expects to see it added to the Recommendations Tracker so that progress can be monitored closely.

General

PAC Recommendation 28	Executive Response
The Government should have clear ownership and pragmatic proactive oversight over a full, comprehensive property management and maintenance programme, using standardised industry recognised tools and processes, effective economy of scale, and close communications with service users to ensure minimum disruption to ‘business as usual’ of the service users.	(Accept) The intention is to reconcile available resources against the demands of the estate in accordance with best CIPFA and RICS practice. (Complete and ongoing)

Further Action Required: The PAC welcomes acceptance of this recommendation and would like to view further details of the Government’s ‘reconciliation of available resources against the demands of the Estate’ including specific details of ‘standardised industry recognised tools and processes, effective economy of scale, and close communications with service users’ to better understand progress. Even though the response indicates the recommendation is ‘complete and ongoing’, the PAC expects to see it added to the Recommendations Tracker so that progress can be monitored closely.

Conclusion

5. In summary, the PAC will seek further evidence to ensure that the accepted recommendations are implemented and that improved practices are embedded. It also expects to see evidence that all of its (accepted, partly or partially,

accepted) recommendations have been added to the Recommendations Tracker so that their progress towards implementation can be tracked closely. It requests immediate notification of any delay to the Government's proposed timetables and deadlines, including explanations of the factors causing the delay. To this end, it has written a letter raising all the points above requesting further clarification and/or evidence by 14 January 2022, unless otherwise indicated in the comments above.

6. Given that this is the current PAC's last few months in operation before new members are appointed after the election, it will include a detailed 'roadmap' in its Legacy Report, to ensure that this essential work of Infrastructure, Housing and Environment and Jersey Property Holdings is scrutinised rigorously.