



Public Accounts Committee

Quarterly Review Hearing

Witness: The Chief Executive, Government of Jersey

Wednesday, 19th October 2022

Panel:

Deputy L.V. Feltham of St. Helier Central (Chair)

Deputy M.B. Andrews of St. Helier North

Deputy T.A. Coles of St. Helier South

Connétable R. Honeycombe of St. Ouen

Mr. P. Taylor

Mr. M. Woodhams

Mr. G. Phipps

Ms. L. Pamment - Comptroller and Auditor General

Witnesses:

Ms. S. Wylie - Chief Executive, Government of Jersey

Mr. R. Bell - Treasurer of the States

Mr. T. Walker - Director General, Strategic Policy, Planning and Performance

Ms. C. Madden - Chief of Staff

[15:03]

Deputy L.V. Feltham of St. Helier Central (Chair):

Welcome, everybody, this is the quarterly hearing of the Public Accounts Committee. Today is Wednesday, 19th October and this is our first public hearing with the Chief Executive Officer of the

Government of Jersey. It is also the first public hearing of this new Public Accounts Committee. I would like to draw everybody's attention to the following. This hearing will be filmed and streamed live, the recording and transcript will be published afterwards on the States Assembly website. All electronic devices, including mobile phones, should be switched to silent. I would ask that any members of the public who have joined us today do not interfere in the proceedings and as soon as the hearing is closed, please leave quietly. For the purpose of the recording of the transcript I would be grateful if everyone who speaks can ensure you state your name and role. We will begin with some introductions. I am Lyndsey Feltham and I am the Chair of the Public Accounts Committee.

Deputy M. B. Andrews of St. Helier North:

Hello, my name is Deputy Max Andrews and I am the Vice Chair of the Public Accounts Committee.

Deputy T.A. Coles of St. Helier South:

Deputy Tom Coles, member of the Public Accounts Committee.

Mr. G. Phipps:

Graeme Phipps, I am a lay member of Public Accounts Committee.

Mr. M. Woodhams:

My name is Matthew Woodhams, I am a lay member of the Public Accounts Committee as well.

Mr. P. Taylor:

My name is Philip Taylor and I am also a lay member of the Public Accounts Committee.

Comptroller and Auditor General:

My name is Lynn Pamment, I am the Comptroller and Auditor General. I am not a member of the Public Accounts Committee but I am required under law to liaise with the Public Accounts Committee and attend all meetings of the Public Accounts Committee.

Connétable R. Honeycombe of St. Ouen:

Hello, I am Richard Honeycombe, the Connétable of St. Ouen.

Chief Executive, Government of Jersey:

Hello, I am Suzanne Wylie, I am the Chief Executive Officer and Head of Public Service here at the Government of Jersey.

Chief of Staff:

I am Catherine Madden and I am the Chief of Staff, Government of Jersey.

Director General, Strategic Policy, Planning and Performance:

Tom Walker, Director General, Government of Jersey.

Treasurer of the States:

Richard Bell, Treasurer of the States.

Deputy L.V. Feltham:

Thank you, everybody. I note that we have 2 hours allocated to this hearing so if everybody could be mindful of the time when answering questions the committee would be grateful. The first area that we would like to question the C.E.O. (Chief Executive Officer) on is the previous recommendations made by the Comptroller and Auditor General and the P.A.C. (Public Accounts Committee). The P.A.C. notes that as at the end of quarter 3 2022 there are currently almost 300 accepted recommendations identified in the P.A.C. and C. and A.G. (Comptroller and Auditor General) reports. We sent the C.E.O. a letter, and thank you very much for your response to that letter. In your letter you talked about a number of emerging key themes that resonate across all departments. For the benefit of the public and the public record, I note those key themes as being governance and accountability systems, including performance and risk management; financial management systems and compliance; asset management; use of management information in decision-making, quality and safety of services and oversight of A.L.O's (arm's length organisations). That is arm's length organisations just for those that do not know the acronym. As the Chief Executive what is your assessment of the current state of the organisation with regard to those organisational wide themes outlined in your letter?

Chief Executive, Government of Jersey:

You will have to excuse me because I have a bit of a frog in my throat, so I will keep clearing it every so often and hopefully everybody can hear me well enough. So glad to be here this afternoon and thank you for writing to me and obviously considering the letter containing my response as well. In relation to those key themes, the reason for putting those key themes together was for the very fact that there were at the beginning of this quarter 300 open recommendations in what we call the tracker. What the tracker does, it takes all of the recommendations from the reports from P.A.C. and the reports from the Comptroller and Auditor General and it lists those in an I.T. (information technology) systems programme and it puts owners against those particular recommendations. It puts actions against those recommendations as well and timeframes as to when they are going to be implemented by. Then we will look at them on a regular basis to see how well we are progressing with those. We have an officer group that reviews them on a very regular basis, involving officers from all the departments across the Government of Jersey. Then they are given a status as to whether they are on track - green - there is some delay - amber - or when they are red there is

significant delay to them. You can imagine that 300 recommendations is quite significant for any organisation and to have proper oversight of all of those actions is not an easy thing to do given that some of them go back quite a long time as well. Of course, more and more recommendations are being made all the time whenever we have further reports made, 4 of which have been made by the C. and A.G. in the last quarter as well, adding another 50 recommendations in to that tracker. To make sure, I guess, that there is the proper culture, the proper ownership of the recommendations and the actions, and also the ability to have good oversight of the progress against those actions, the idea of theming them was ... I certainly feel that it is a way of focusing attention, focusing minds and also helping to rationalise some of those recommendations, some of which are quite similar and certainly can be put together in various themes. We talk about governance as a theme. Governance is one of the areas that comes up over and over again in many recommendations. Obviously for this Island and for this Government we always need to be very mindful of governance and how we approach it, and making sure that it is appropriate to what we are doing because of the size of the jurisdiction, of course, and because of the span of what this Government does as well. I think the clarity of the process - by which we make sure we have the assurances that things are being done right, that money is being spent appropriately, that we are moving forward with delivery - is very important. That clarity being really important under an overall governance framework.

Deputy L.V. Feltham:

Sorry, I just wanted to delve a bit deeper into how you are prioritising certain recommendations. You have spoken about the difficulty in managing 300 recommendations, about putting some key themes together, so within those key themes how are you prioritising those areas that are arising from C. and A.G. and P.A.C. recommendations?

Chief Executive, Government of Jersey:

One of the things that we are doing to prioritise is to put against each of the recommendations a risk profile as well. I think it is really important that we consider the level of risk. Also in the C. and A.G.'s recommendations and most recent reports there are certain 'recommendations' and 'areas for consideration' as well. So putting a priority scoring against those recommendations. The thematic pulling together and rationalising a multitude of things, like governance, for example like quality and safety, like asset management, will also help to pull together some of the recommendations so that they potentially can pull 5 into one overarching recommendation, for example, and then being very clear about the ownership of who needs to take that particular action forward and also being really clear about the implementation plans. Where those are quite long end dates as well, having proper milestones in place. Also there are some recommendations that have been on the system for a considerable period of time and have not been closed out. We are going through a process now of closing out recommendations. There is a target for each of our departments, or Director Generals, for those recommendations that were from 1st of January this year, again about 300 or so, that they

should have 80 per cent of those closed by the end of this financial year. We are at 40 per cent of those. We are also going through them to remove any of those that we can close out, and justifiably close out, that have been in the system for a long time and have been superseded by other recommendations or even events. The world has moved on and they may no longer be relevant. But with those that we remove for those particular reasons, we will make sure that we report a list of those back to P.A.C. and the C. and A.G. to make sure that you are comfortable with those. There is the prioritisation as well, so to make sure that we have real clarity in that, the oversight of how those recommendations are being driven forward will be done in a number of ways. It will be done at the Executive Leadership Team under each of the themes, picking up the highest risk areas as well, and those that are recurring themes too, because I know obviously P.A.C. has reported regularly on recurring issues for example. So those are the ones that we will focus on at our Executive Leadership Team. I have also introduced through the performance management arrangements for my Director Generals, assurance statements that they have to provide me with, which will tell me how they are getting on with each of their implementation plans and the targets that have been set through the tracker as well.

[15:15]

It will become, hopefully, more about business as usual because of course what we want to do is try to combine that review and assurance with how we are looking at risk, how we are looking a performance, how we are looking at financial management as well, which is why I think the themes are so important. It becomes really a rhythm of business as usual.

Deputy L.V. Feltham:

The Committee has not as yet seen a version of the recommendations tracker, but from the information that we have seen some of the elements that you discussed and talked about as ways of tracking and having accountability were not apparent from the version of the tracker that we have seen. How do you feel that the current tracking of the open recommendations meets your needs as C.E.O and what are the areas of improvement on the tracker that you think need to be made?

Chief Executive, Government of Jersey:

I think you are right that it is quite difficult to cope with looking at a tracker that has 300 recommendations in it and, at this point in time, to make real sense of where all those priorities are. Some of the changes that need to be made are the absolute clarity of ownership, who is responsible for driving it forward. Some of those recommendations fall across the whole of government and some of them are for individual departments. The ones that fall across the whole of government are probably the ones that need a lot of clarity in terms of who is the senior responsible officer for taking those particular recommendations forward. So if you think about something like asset management,

many of the Director Generals across government are responsible for the assets within their department for example. So that would be something that would fall across many departments and having absolute clarity as to who is going to make sure that that implementation plan is being taken forward within the timeframes, within the targets and in the right way to get delivery is something I want to see clarified as soon as possible. The second thing is that within that the assurances levels of the tracker is filled in by individuals across the organisation, so just to make sure that the assurance process is really effective. To make sure that the information in there is absolutely accurate by the time it gets to me having a look at it and the Executive Leadership Team discussing it at that level. Now, the Chief of Staff has a responsibility here to help me to do this and we are on an improvement journey to make sure that that actually happens. For example, nothing is closed off without a review happening by the Chief of Staff and the Head of Financial Governance. There is a process to get those signed off. There is also an officer group that will look through those first of all to make sure the system is producing accurate information before it comes into the Executive Leadership Team and a review is carried out, before it comes to me, before I have one to ones with my D.G.s (Director Generals) which are about a performance appraisal and having a look at the progress of those. There is also a blank element within the tracker that you may well have seen. For example, it gives the ability for the owners to input some reasons why there has been a delay. It might be that they do not have the resource, for example, so there is a part of the system that they can say resources were not available or there is a part of the system where they could say it is dependent on something else happening. It is dependent on a ministerial decision, for example. But there is also an area that they previously could have left blank so you are left with no information, that is quite a significant number. That has been changed.

Deputy L.V. Feltham:

Thank you. You talked a bit about some of the ways that the recommendations are closed off and approved. How are you currently, as C.E.O. receiving updates on the recommendations and are you happy with the updates that you are getting and that the recommendations that are closed have been closed off to a manner that you are happy with?

Chief Executive, Government of Jersey:

I will take the closed recommendations first of all because I think that is more straightforward. The answer to that is, yes, I get a report on the closed off recommendations and the reasons behind them, and also the assurance that has been carried on those closed recommendations. I know that some of them have not been accepted as being closed and hence are reopened again, and that is not just one or two, it happens on a fairly regular basis so I am sure that that system is robust. In terms of the updates on the recommendations for me, that happens through the process we have just talked about, it comes to the officer group and then into the Executive Leadership Team. It really does have to go through the rationalisation process that I talked about to make that process really

meaningful and to make sure that we are focusing on the right things and we are driving the changes that you have recommended and the C. and A.G. has recommended. So, in other words, it is a work in progress and this is a journey that we are on.

Deputy L.V. Feltham:

Going back to the key themes, and we have noted that there are a number of key themes and recurring themes, what is your assessment of the root causes of those key themes that are arising from the recommendations on the tracker?

Chief Executive, Government of Jersey:

If we take governance first of all and why that is an important theme and why that is a recurring theme. I talked originally about the fact that governance in a government that has the breadth and scope that the Government of Jersey has does take considerable effort, it does take a proper framework, a proper structure and obviously we are in the process of improving that all the time, year on year. For example, we are introducing regulation across the board. We are still working with the Jersey Care Commission, for example, and they are bringing forward their regulatory process over a period of time and, of course, that has to then be extended into all areas of health and all areas of childrens services over the next period. Those things are improving all the time in Jersey and they help clearly with our governance. I think also that we do struggle sometimes with the resource to do all the legwork that really needs to be done around governance and making sure that by the time it gets to the decision-makers all of that work, all of that sorting out, all of that prioritisation, et cetera, has been done. That can sometimes be a struggle. I also think that the time for senior managers to devote to governance can be difficult for them and, of course, that then needs to be driven from the top to make sure that that is a priority and they do set time aside to make sure the governance is working effectively. I think also that the ... I talked about ownership, the key issues and making sure that they there is line of sight to the senior managers as well. The example you have just asked me about, for me getting the reports on the tracker and for me to have proper line of sight on what needs to be done, I need that prioritisation and rationalisation process to have happened, same for the Director Generals, if that makes sense. In terms of financial management and systems compliance, I think that obviously we will have an I.T.S. (integrated technology solutions) programme, which will go live, in finance, commercial services and in people management, H.R. (human resources) as of 1st January. I think that will help us get more information, more data too because sometimes we struggle with the data that we have. I think that in terms of things like asset management we are just in the process of doing a condition survey across all of our properties, for example, and we have that information that gives us a lot more to go on in terms of how we prioritise our maintenance programmes, et cetera. Again, that will be covered by the next phase of the implementation of the integrated technology solutions as well. I think in terms of management information for decision-making, again when we look at all of that information

around performance - and I am sure you will come on and ask me about performance later on - and risk management, these are things that this Government has been working on for a few years now and have been improving the amount of information that is available. But we have got to the stage, I think, that we now need to sit back and rationalise even that information again to make sure it is as meaningful to the public as it is to the managers within public service. When it comes to quality, safety and sufficiency of our services, I think that is pertinent to us today because resourcing wise from a staffing perspective we do struggle in getting some key posts in place and getting some key skills in place. Like many other places at the minute, it is not easy to find some very specialist skills, whether that is medical skills, social work skills or whether that is engineering skills, et cetera. Quality and safety is absolutely essential to us. The assurance that I need and that my Director Generals need to make sure that those service levels are safe and are of good quality is absolutely essential.

Deputy L.V. Feltham:

Just going back to the root cause of that, because that was the question, what do you think is the root cause of that key theme around quality and safety of services?

Chief Executive, Government of Jersey:

I think that the first thing I have described is the resourcing issue, making sure we have effective workforce plans in place to address some of those concerns and issues I have just talked about, which are not unique to the Government of Jersey. They exist in many other places as well. I think having the information systems as well to make sure we have real time data about where those potential concerns or vacancies are across the organisation so we can act quickly and with agility to try to address some of those problems as well. I think ensuring we have effective leadership across the organisation is absolutely essential to all of those issues that we have talked about in terms of the themes.

Deputy L.V. Feltham:

I think Graeme has some further questions.

Mr. G. Phipps:

I would like to just follow up a little bit further, thank you. It is gratifying to see the commitment to getting these things closed and that your people are going to be held to account to do that. Maybe the question is: in your key performance indicators, does this show up to you as part of how you are being managed and your success?

Chief Executive, Government of Jersey:

It does, yes. I have agreed my performance measures with the Chief Minister. Improving risk and our oversight of risk, improving governance and how we are taking that forward, improving how we look at performance across the organisation and then how I hold my direct reports to account is something the Chief Minister and I will be discussing on a quarterly basis.

Mr. G. Phipps:

Specific to the closing of performance indicators, would meeting that 80 per cent target be one of your indicators?

Chief Executive, Government of Jersey:

Meeting the 80 per cent target is not one of my indicators at the minute but, however, getting the number of ... getting the progress against the open actions in the tracker and reporting that on a regular basis to the Chief Minister is one of my performance measures.

Mr. G. Phipps:

That might be one you want to consider given you are putting that on your other staff.

Chief Executive, Government of Jersey:

Yes, I mean, I would be reporting back on it to the Chief Minister so I guess it really is on my shoulders, right?

Mr. G. Phipps:

Now, I would like to focus a little bit more on the next phase. Completing the initiatives identified in the performance tracker is just the first step, it is also following through and seeing if it is making a difference.

Chief Executive, Government of Jersey:

True.

Mr. G. Phipps:

Let me just ask a few questions. On implementing and embedding these results in the organisation, how do you track that and how do you ensure that these things, now that you have done them, are the right thing and are getting the results you wanted. How do you personally and how does your organisation stay on top of that?

[15:30]

Chief Executive, Government of Jersey:

I think that is going to be done in a number of different ways, because what I would like to see happen is that those implementation plans become part of the overall delivery plans for each of the departments. Of course I will be holding, as will the Ministers responsible for each of those departments, the Director Generals accountable for delivery of those plans. We are calling them delivery plans this year in the Government Plan, they would have previously been known as each of the departmental business plans. We already have improvement programmes in place around risk management, around performance management, for example, around value for money programmes and reviews. Those things were already in train and so some of the actions from the tracker can be slotted in with those programmes that are already happening. I think that is a much better way of making sure that on a very regular basis we can see progress with those and hold those responsible to account for delivery.

Mr. G. Phipps:

Looking out a few years, how would you define what success would look like having gone through all this? How would you know this is working and how would the public and the P.A.C. know this was working, and some examples maybe?

Chief Executive, Government of Jersey:

If you think about the various themes that we have just talked about. If you think about how we are managing risk, and we do have a risk management process and framework in place, it is reported on on a regular basis. We have risk scores and one of the things I want to work on is to put in targets against those risk scores to try to bring them down to a level. So success in that area would see a reduction in the risk scores and that all the mitigation measures that we could possibly have were in place. If you take performance, if you take performance management and how we do performance management across the organisation and in terms of what we report to the public, it should absolutely relate to the priorities of the Government and it should be very clear that the performance measures that are put in place for those priorities are being adhered to. In departments we are using the performance and management information to make decisions about what needs to be improved on and how we need to look at our business plans for the future years. I think that what you have at the minute in terms of performance measures does that to some degree and, of course, there are targets in place. We have a baseline measure in place, we have a performance target in place and then we measure against that target. What I would want to see is we are meeting those targets and to set a percentage of what we would meet. That would show success. It must be meaningful. I think what I am saying is the rationalisation of the things make it much more meaningful to Islanders, to P.A.C., to C. and A.G., et cetera. I would like to see the fact that obviously we have review reports done by the Comptroller and Auditor General and if there is a report, for example, on risk management or on how we work with our arm's length bodies and the Comptroller and Auditor General comes back in a year's time and does a further report that she sees that there

is traction and there is a lot of progress with that. Ultimately what we want to do really with performance is to meet the Jersey performance framework and to start to turn around some of those issues, those priorities that you see within our common strategy policy and our Government Plan.

Mr. G. Phipps:

Thank you. I look forward to seeing this actual measure of progress and following up on all of these indicators, now all the hard work that has been done. I will pass on to my colleague now.

Deputy M.B. Andrews:

Yes, I was just looking at the tracker and I would also just be interested to have your thoughts in terms of how oversight is managed across government departments in terms of seeing progress be made.

Chief Executive, Government of Jersey:

Oversight is managed in 2 ways ... 3 ways really. It is all in the system, first of all, so of course anybody who has access to the system can have a look at how we are progressing. All of the owners can individually look at how we are progressing. They are required on a monthly basis to update what is on the system as well. The officer group that is led by Catherine, and I will ask her to comment on this as well, reviews this before it comes into the Executive Leadership Team as I said earlier on. Catherine, do you want to come in on that?

Chief of Staff:

So we have an officer group which has a lead officer in each department. In terms of oversight and seeing what progression is being made, both myself and the Head of the Financial Governance from Treasury, we go to the departmental senior leadership teams and meet with them on a quarterly basis. What we do is we take an extract off the tracker from their departmental recommendations and we look at target dates, whether they have been revised, what the comments are, and we go through in a qualitative way. We have about an hour with them where we talk them through whether we think what they are putting in in terms of evidence is sufficient for us to then close down. Whether they are actually updating them in a timely manner. We go through all of that with them and they then report back in to the Chief Executive in their one to one if I have found anything that is a recurring theme. It may be that perhaps they are down on capacity and they need more support in terms of being able to fill it in. Also we then look at ... picking up themes that were picked up which are not on the tracker at the moment, they are the emerging themes that we are discussing with E.L.T. (Executive Leadership Team). We have picked those themes because that is where we look across departments. A particular department may have a C. and A.G. report but the findings and the recommendations in that report could cross a number of departments so that is why we have picked up the emerging themes. They are not in the tracker you had in quarter 3 but our intention

is, with your agreement, if you feel, having looked at what we are doing, they are the right themes, we will then update the tracker so that we can cut the information that way for us as well. As well as keeping the other themes just in case you want to be able to see them by different themes.

Deputy M.B. Andrews:

In terms of, say, for instance, when often there will be officers who are reporting back, what are some of the barriers that we have commonly come across where we have maybe not been able to meet expectations in a timely manner.

Chief of Staff:

In terms of the tracker itself?

Deputy M.B. Andrews:

Yes, in terms of ensuring that the tracker is being completed in a timely manner. What are the barriers in the actual capacity to fulfil those obligations?

Chief of Staff:

Originally I think it was the system we had. When we first developed it it was Excel and it was quite clunky and then we moved on the SharePoint and a lot of what we do now is automated. If they have an overdue recommendation that has not been updated, they automatically now get an email telling them that. We have a lot more automation at hand. Pre-automation it was more difficult in the sense that it was on the owner to make sure they are going through on a regular basis. That is not their only job, that is part of a number of roles they may have within the department. I should have said that we do not have dedicated lead officers within the department who just deal with C. and A.G. recommendations, it is done as part of their other roles. The automation has helped that. Sometimes it is just a capacity issue because we have limited resources and if there is a handover to somebody else, that somebody has left, we have to go in and do that training. But because we have the officer group we are able to support, on a temporary basis, where we need to .

Deputy M.B. Andrews:

Thank you very much. I also highlighted while I was doing a bit of research some of the recommendations that are still outstanding prior to 2020. Will there be some audit in place ...

Chief of Staff:

Yes, that is right.

Chief Executive, Government of Jersey:

Yes, so that is what we are doing right at the minute, we are carrying out an audit and going back over the very old recommendations to see whether or not they are still relevant.

Deputy M.B. Andrews:

In terms of the timescale as well, so looking at capacity, is that potentially going to be an issue or do you think you will probably see some successes being made?

Chief Executive, Government of Jersey:

I think we will see successes being made. One of the things that I have done in the last few months is set up a delivery hub within the Cabinet Office, obviously the newly formed Cabinet Office, within the centre of government. Part of that team, The delivery team, is working with Catherine to move some of these things forward that have been issues that we have had like resourcing or capacity issues which have maybe been barriers and got in the way before. It is very important, if we do not get this resolved, sorted and rationalised it means that we are just going to keep adding to the tracker and we are going to still suffer from that lack of prioritisation, that lack of rationalisation. This is important. The recommendations and the time and the effort that you as P.A.C., your predecessors and the Comptroller and Auditor General have put in to reviewing how these things work for us and giving us recommendations is important, and it is important that we do then take those recommendations, those that we agree with, and we act upon them. What I was talking about earlier about making sure that we build it into the business as usual is really important. It is not just seen as this system that sits over here, it is absolutely critical to assuring me, assuring line managers, assuring Ministers that we are running a good tight ship.

Deputy M.B. Andrews:

Thank you very much for your answers. Anyone one else?

Mr. P. Taylor:

Yes. You have talked about systems and processes and you have talked about the key themes coming out of the recommendations tracker. Processes and systems do not always raise key issues that that need to be addressed. In the few months you have been here, what are the key issues you are struggling with that perhaps are not coming out of the recommendations included in the tracker?

Chief Executive, Government of Jersey:

You are absolutely right and I guess that is one my key observations really of systems. Systems are very important absolutely and they will flag up certain things. But, of course, it is about insight, is it not? It is about making sure you take the time to properly consider what these things were telling you, that you challenge them as well and that you really do get good insight to enable you, as

a team, to say where you need to focus your attention and where you need to focus your resources. One of the things that I am seeing that is giving me concern - is that the question?

Mr. P. Taylor:

Yes, frustrations.

Chief Executive, Government of Jersey:

Yes, frustrations, okay. How long do we have? Yes, absolutely. I think just getting the right level of information across the organisation, many of the areas that we have touched on, and I know that has been an issue for quite a long time. I think we are getting a lot better with the information that we have, absolutely, but it is not quite there yet. Also making sure that there is attention given by leadership across the organisation to these issues.

Mr. P. Taylor:

That is the issues not just in the tracker but other issues you may have?

Chief Executive, Government of Jersey:

Yes, yes, absolutely. But issues like performance management, really good performance management, issues like good risk management across the organisation, to issues like delivery of key priorities. Making sure that we get on and we deliver. To have the right level of attention to that, to get the cross-cutting attention from across the organisation is very important. If you think of issues that I am concerned about, like resourcing at this point in time in key areas, it is not just in one department, it cuts across a number of departments, I need the attention of all of those departments plus my H.R. Department at the centre of the organisation to try to help resolve some of those issues. To get that cross-government thinking is very important.

[15:45]

One of the things, again, that I have tried to do through setting up this delivery hub is to look at the problems across the organisation, like resourcing for example, like customer experience in some areas or where we have maybe a backlog of complaints in some areas. To try to unblock some of those issues and to give our senior responsible officer role to one of the D.G.s to help solve some of those problems. I have also ... these 2 gentlemen sitting beside me are now assistant chief executives, they are now designated as assistant chief executives within the Cabinet Office. The purpose in doing that is so we have a much more joined up approach that we can see across the organisation, not just one person but a number of us, and can identify those issues, those barriers, those concerns and try to solve some of those problems.

Mr. P. Taylor:

Do you feel you have the right levers to pull at the moment in order to get these changes made? Or, as you have already hinted through the performance management system, it may not be quite as you wish it to be?

Chief Executive, Government of Jersey:

I think one of the things I really have focused on since coming into this role is trying to make sure that those levers are in place and, if they are not in place, that we have a programme to get those levers in place. I think it is a very insightful question and I think partly in setting up the Cabinet Office, the delivery hub that I have talked about, is an aspect of it. Both Richard and Tom are also taking on specific responsibilities for some things on my behalf. For example, Tom is going to have a significant role in assurance around safeguarding on my behalf, across all the departments that touch on safeguarding. In terms of value for money reviews that I feel are incredibly important across the organisation, Richard is going to have a key leadership role in helping to design what those are going to look like and to get those carried out. Catherine has taken on more responsibilities as well in terms of risk, governance and assurance too. It is not just me that is looking across the organisation, I have a number of people who will help me. The delivery unit is quite an interesting lever to pull because it is very small but what I intend to do is to bring in people from across the organisation who volunteer to be trained up as internal associates, to be trained up on systems type thinking and to form task and finish groups to try and address some of these issues that we are talking about this afternoon. That will give them much more experience of the organisation and hopefully be a development opportunity for them as well.

Mr. P. Taylor:

I am sure we look forward to seeing progress in those areas, thank you.

Deputy L.V. Feltham:

I am mindful of time because we have a number of topics to cover, so if the committee is happy I will move us on to the second question area, which is COVID-19 specific recommendations. Deputy Coles.

Deputy T.A. Coles:

We thought we would address some of these, because the public will want to know that the Government have learnt their lessons and are prepared when we move forward.

Chief Executive, Government of Jersey:

Of course.

Deputy T.A. Coles:

With that in mind, can you explain to the committee the number of open recommendations within the tracker which are specific to the COVID-19 related reviews?

Chief Executive, Government of Jersey:

Yes. I believe there are 40 recommendations still open within the tracker. There were 80 as a result of the COVID-19 reviews. Now, that does not include the independent report that has just been released last week, and I believe you had a briefing on that independent COVID review last week as well. The intention is to take the 40 open recommendations, which have come from a number of reports from the P.A.C. and also from the C. & A.G. as well as the independent review and to create a crisis resilience improvement plan. You will have heard that term used by the independent review panel. That is what we would like to do with all of those recommendations so we have one crisis resilience improvement plan. We want to do that and have that in place by the end of this year and then that will be monitored and overseen by how we are looking through your Corporate Risk Register and also through our Community Risk Register as well, those 2 things being very much interlinked.

Deputy T.A. Coles:

What impact has the number of COVID-19 specific recommendations had on the recommendations tracker and their implementation?

Chief Executive, Government of Jersey:

I think probably, given that there were 80 and they have been reduced by 50 per cent, there has been quite a focus on those recommendations. I think it has been helpful for the tracker because by putting something where everyone's attention is on COVID and is on the learning that we have from COVID-19 and on the agility with which Government were able to step up to the plate and put in place everything that it did, from vaccinations to track and trace and so on, I think it has been incredibly helpful for the tracker because of the attention that it has brought to bear on it. They are incredibly relevant recommendations. I think there is a sense of pride within the civil service and across government as to how the response was carried out and how much time and effort people put into it - they went the extra mile - so I think it has brought attention to it. We want to learn from this and we want to put those recommendations in place.

Deputy T.A. Coles:

With that in mind, how prepared do you believe the Government of Jersey are for another pandemic as a consequence of the reviews and recommendations which are arising?

Chief Executive, Government of Jersey:

I think it leaves us a lot better prepared than we were when COVID came along, absolutely a lot better prepared. However, having said that, we do need to take all of those recommendations from the independent panel. We do need to put the resilience plan in place and the crisis resilience improvement plan in place. You will know the types of themes that came across from all of the reviews that were done were very similar and we absolutely need to be better prepared. We need to be better at how we make decisions in a crisis and we need to be better at how we communicate in a crisis as well. Those are 3 broad areas. Of course some of the more detailed recommendations about our laws ... work has already started in terms of improving our public health laws and also our civil contingencies law as well. That has been prioritised as well by this Government, of course. We have had an Emergencies Council meeting this week with the new Government, where they considered the recommendations and where they are very keen to have this plan in place as soon as they possibly can to get that level of assurance. They are also very keen to do more exercising as well, which was one of the recommendations, to do more scenario planning and events with it there so they (COM) can see how to operate in an emergency, because remember not all of them were in the previous government and had that experience. I think also we have learned in terms of where to get advice from and the fact that we need to go wider for advice and how we set up our decision-making structures as well within government. There is quite a bit of learning in that as well. Of course getting ahead of things like data-sharing too is really important. We have had the push and pull on that through this exercise and of course we should be getting ahead of that and making sure we can, in an emergency, share the data that we absolutely need to share and making sure that we have the right crisis communication plans ready to take off the shelf and run with, although we can never anticipate the nuances of any particular emergency.

Deputy T.A. Coles:

But again, because that is then put into the elements of risk, what is your assessment of the organisation's position in terms of risk and risk management process in the event of a similar scenario to COVID?

Chief Executive, Government of Jersey:

We do have a Community Risk Register. We do have a resilience forum for Jersey. I chair that resilience forum and underneath that there is a delivery group, which is chaired by the Chief of Police. That resilience forum, it has a risk group, that is currently relooking at and updating that Community Risk Register. And, of course they are doing that in light of what has been happening and what the advice is from the U.K. (United Kingdom) and widening out issues within that risk register that perhaps were not there before. Of course things like national security and so on are on that, things that happen in other countries as well and might impact on Jersey will be included on that risk register, and of course what is happening in terms of our economic volatility too will be added to that risk register. That again will be completed in the next few months. It is being updated

now and the assurance will be that it will come back into the Council of Ministers by March and will be approved then, so I do think that it will be stress-tested and so on through this whole process. There will be lots of consultation on that Community Risk Register as well to make sure that we have it as good as it possibly can be and we have done our horizon-scanning well and we have done our scenario planning well as well.

Deputy T.A. Coles:

Thank you very much. Richard, I believe you want to ...

The Connétable of St. Ouen:

Can you confirm to the committee the ongoing expenditure related to COVID-19 at present and into 2023?

Chief Executive, Government of Jersey:

I am going to probably ask Richard for the actual figures. There is of course ongoing expenditure for COVID and we have put money in the Government Plan going into 2023. I think we have been quite pragmatic about that. Clearly we did not spend this year or last year as much as we initially anticipated that we would spend. Clearly the ongoing need is around continued vaccinations and around making sure that we have enough testing capacity and so on going forward, and that we are learning as well through looking at how we get better information and how we use the information we have from this COVID incident to make sure that we have more information about the public and particularly where inequalities are across Jersey as well. That work is happening in the background too and that is in Tom's remit. I can tell you - and then Richard will confirm the figures going forward, because he is looking them up as we speak - though that you will know that there was borrowing to allow us to provide enough support for Islanders, to carry out all of the things that we did carry out and put in place, and also to provide financial stimulus to business, co-funded payrolls and so on, but that borrowing will be paid down by the end of this year. Is that right, Richard, can you confirm that?

Treasurer of the States:

Yes. You just keep going. I will come back to you by the time we have finished the meeting.

Chief Executive, Government of Jersey:

So we will not be borrowing any more after the end of this year.

Treasurer of the States:

I cannot read it. Where are we?

Chief Executive, Government of Jersey:

This is how new the Government Plan is, you see?

Treasurer of the States:

So this is actual spend to date. For this year across departments it is, as at the end of September, £29 million this year. You were asking a question about how much is in next year's Government Plan and I need another document to tell you that, but it is considerably less. We will have £10 million in reserve. We do not expect a huge amount of expenditure, although the gentleman to my left will be available for any expenditure in respect of ongoing vaccination programmes and testing and tracing programmes that might be needed.

The Connétable of St. Ouen:

How much did you say, £10 million in reserve?

Treasurer of the States:

We will have £10 million in reserve, yes.

The Connétable of St. Ouen:

Yes, there are just concerns with ...

Treasurer of the States:

We will use that for carrying forward unspent money from this year.

The Connétable of St. Ouen:

Yes, there were just concerns with Dr. Muscat appearing on television and in the press sort of warning everyone of the possible problems that could arise over the winter. It is gratifying to know that there is money put aside for that.

Treasurer of the States:

In the unlikely event - I must say, do not throw it back at me should I be wrong - that we were to find ourselves as we were in the first year, then that would mean that we would use emergency powers within the Public Finances (Jersey) Law to access further funding.

[16:00]

If we find ourselves somewhere between the place back then and where we probably think we could end up and the £10 million was not sufficient, then there are other reserves that we will be able to turn to. It would also probably have a knock-on effect on spending and on deliverability in other

areas. The Minister will have the authority to be able to transfer funds from other areas of the business towards any COVID action, yes.

The Connétable of St. Ouen:

Thanks. How are you ensuring that the public are aware of the implications of COVID-19 specific actions, especially with regard to financial and resource implications?

Chief Executive, Government of Jersey:

Obviously through the Government Plan process we are also - in terms of what you saw Dr. Muscat do over the last few days and in the paper today as well - making sure that people are aware of what is available and encouraging the public to go and get vaccinated, along with their flu jabs as well, and I think that is very important. I do think we probably do need to do more to reassure people that we are continuing to make provision for it. It is a really good point and it is probably something we should do on the back of this current publicity campaign to make sure people are assured around that and this Government is continuing to provide those services and continuing to make financial provision. We will take that away with us, thank you.

The Connétable of St. Ouen:

In light of the recent independent COVID-19 review, is it your intention to present a full response to the findings and recommendations and, if you are, what sort of timescales are you looking at to present the report?

Chief Executive, Government of Jersey:

Yes, so there will be an action plan produced. This crisis resilience improvement plan will be part of the action plan that will be produced. I think that the chairperson of the panel did give a timeframe for that, which was by the end of the year, and also that we would have many of those actions implemented within a 2-year timeframe, so there will be timeframes put around each of the actions in there.

The Connétable of St. Ouen:

So there will be a report shortly, yes.

Chief Executive, Government of Jersey:

Yes.

The Connétable of St. Ouen:

Thank you very much.

Deputy L.V. Feltham:

Thank you. We will now move on to another topic, which is the States annual report and accounts for 2021. I will hand over to Philip, who has some questions regarding that.

Mr. P. Taylor:

Thank you very much, Chair. I am not quite sure whether you want me to direct my questions to you or to the Treasurer.

Chief Executive, Government of Jersey:

It probably depends what the questions are.

Mr. P. Taylor:

Let me start off simplistically. As Richard knows, I like things to be simple. This is 408 pages long. I am just interested to know what purpose it is fulfilling.

Chief Executive, Government of Jersey:

I think both Richard and I would agree that the length of the report is definitely too long and obviously it is supposed to be accessible, it is supposed to be meaningful and very readable. There is a lot of information in there, absolutely, if you really want to go in and find out a lot of that detail. Of course there is the weighing up between what is material and what legally should be reported in an annual report and what is information for the public. What it is trying to do is of course show where we are with our finances, show how much provision we have made to make sure that we are demonstrating that those finances are stable, that we have properly planned for the expenditure and we are properly monitoring that expenditure and we are making sure that we have sufficient reserves and so on in place for all of the long-term financial requirements that will come our way. That is obviously one part of it. In terms of assurance and accountability measures and the accountability report, that is there. I think it is important that people do understand how this system holds everyone to account and how that is delegated throughout the Government of Jersey. It also of course shows performance and that is the incredibly long piece of this particular report. Of course there are the performance highlights at the very beginning, which come from each of the departments. I think, in my view, they need to be more connected and more relevant to the priorities that are set out in the Government Plan and in the C.S.P. (Common Strategic Policy) and there needs to be that golden thread from them to what is being reported. Then of course there are the departmental performance accounts as well, which are quite long, and I think could definitely be shortened and definitely rationalised.

Mr. P. Taylor:

What steps are being taken in order to meet that objective of making it a clear line of sight and less complicated, less detail and simpler to understand?

Chief Executive, Government of Jersey:

Hopefully you will see that that will happen with the next annual report and that we will be very focused on making sure that that is really clear in the next annual report. We have had discussions among our E.L.T., among all of the departmental heads, and I think everyone is in agreement that that is the process that needs to happen. We also though need to make sure that we are really on the front foot and we have a proper programme management framework in place for producing the annual report and accounts as well, so we have enough time to get it right. I think there is so much information has gone into it in the past that very often we run out of time for doing that proper rationalisation process on it, so we will be trying to do as much as possible upfront.

Mr. P. Taylor:

You talk about the challenges of preparing this document. Could you summarise concisely what those challenges were?

Chief Executive, Government of Jersey:

I am going to ask Richard because I was not really here at that particular time.

Mr. P. Taylor:

Yes, do.

Chief Executive, Government of Jersey:

Richard can give you an insight into what the challenges were. I would be speculating. Probably could guess very well, but I will let him answer that.

Treasurer of the States:

I recognise Tom is grinning but I will probably pass back some of the challenges relating to the annual report as opposed to the accounts, but I will do my best and see if he disagrees. Part of the challenge, and I suppose the first thing, obviously you asked a question as to whether 408 pages is too long. It is, but the ones with numbers on are not too long, I would probably add, in terms of the accounts. The challenges have been, in terms of the accounts, is streamlining our processes, adding further quality to our processes in order to be able to complete the accounts on a more timely basis, so that has been a challenge over the last 3 to 4 years. We previously used to sign off our accounts - in my view - too late, even though they were, in one case, minutes within the statutory deadline of the end of May. So it is key, not just to doing the accounts, but reporting what goes with the accounts and getting that information to stakeholders on a timely basis. We then have the co-

ordination of that across a very wide organisation, which is complicated much further by having the performance elements as opposed to the financial performance elements of that. While we are used to having mechanisms in place to provide assurance on the financials as well as putting together the performance report, we also have a challenge of making sure that we are happy with any of the performance measures that are put in place, so it is sometimes not as easy because you are pulling from a wider part of the organisation to pull together and be happy that we are assured with the numbers or the measures that are in the performance reporting. The other is the sheer scale of it, and starting to think about what are the key messages that you want to come out of the annual report and accounts, as the Chief Executive has said at a number of points. The biggest challenge we have is the sheer breadth. The Government of Jersey may be small compared to other governments, but it has such an enormous breadth compared to many of those other government organisations because the things we do in Jersey, while they are with fewer pound signs than in other places, are done by different elements of the U.K., be it the N.H.S. (National Health Service), be it local authorities or councils or be it in central government departments. Have I covered the bases, Tom, of the difficulties with the annual report?

Director General, Strategic Policy, Planning and Performance:

Yes, you have. I would perhaps add that if in your review you wish to make recommendations regarding things that we can take out, I will be thrilled and delighted.

Mr. P. Taylor:

We will do our best, I can assure you.

Director General, Strategic Policy, Planning and Performance:

Thank you.

Mr. P. Taylor:

To me, financial statements tell a story in a concise, understandable way so you can get the financial position from one year to the next, you can understand what has happened and how that fits in, if you like, the Government Plan and how the Government Plan has been achieved in terms of the performance measures. They have been set at a high level, and those then flow through to the departmental plans, which should of course not be repetitious of what has already been said. I am reading here that that is the aim that you are going for.

Chief Executive, Government of Jersey:

Absolutely, that is the aim that we are going for, and you are absolutely right about telling a story. That is exactly what it should do and that is I guess really what I meant by that clear line of sight back into what the Government priorities are and what the C.S.P. priorities are. You can very clearly

see the success journey that the Government is on. I think they need to be readable, they need to be accessible, we need to reduce the content, they need to be clear in the objectives that they set out as well. I know that the C. & A.G. has also talked about how we include wider sustainability reporting within the annual accounts too, and I think that is something we want to do, but that links straight back into the common strategic priorities as well, which are about the wider quality of life for Islanders.

Mr. P. Taylor:

I am reading also that maybe you are suggesting at the moment that they are not really fit for purpose because there is too much stuff here. The performance measures are debatable perhaps.

Chief Executive, Government of Jersey:

I do not think I would go as far as saying they are not fit for purpose. I think it is to make them just much more meaningful, targeted and where there is clarity of where success is or where performance needs to be improved. I think that is where we need to get to. I think there has been a significant improvement over the last number of years, having looked at them.

Mr. P. Taylor:

I am always in the interests of trying to be helpful. I am sure you would have seen the Financial Reporting Council's document, *Cutting Clutter*, and it may be useful for your work to just have a reference to that to see if it is helpful in some way.

Chief Executive, Government of Jersey:

Yes.

Mr. P. Taylor:

I do not know if any of my colleagues have got any other questions to ask.

Mr. G. Phipps:

Not regarding the report.

Deputy L.V. Feltham:

Richard, you mentioned earlier about the key ... I do not want to paraphrase you or quote you incorrectly. You said something along the lines of picking the key messages that you wanted to include within the annual report. How do you pick those key messages? Looking at the annual report, it seems quite positive in talking about the things that Government have done well. What conversations are had around the Executive Leadership Team potentially around things that have not gone so well in the year and how to learn from those?

Chief Executive, Government of Jersey:

Do you want me to pick that up first?

Treasurer of the States:

By all means, yes.

Chief Executive, Government of Jersey:

Yes, I did take the report out again before I came here of course and had another read of it and looked at the forewords, one of which had written by the previous Chief Minister and the other which had been written by me, having really not been involved in putting the report together. You are right, it is very positive. I do think that this Government wants to make sure that we have trust and confidence in all parts of government and I think it is important that we are honest where we are on an improvement journey that we do talk about that and we do make that clear. I think that, yes, of course there will be progress during the year, and of course there will be lots of positive messaging, but I think we do need to be open and honest where we need to have improvements as well. Everybody knows really in Jersey where we need to have improvements, I think, and so I think we just need to be talking about that.

[16:15]

I think we need to engage more as well, not necessarily about the annual report, but of course throughout the whole year, which then leads to the annual report and accounts. We need to be engaging across the board, and again that is something that this Government wants to do a lot more of with different parts of our community and different communities of interest as well, so we should be talking about these things so they are not a surprise by the time it gets to the annual report.

Deputy L.V. Feltham:

Was there a conversation about the things that did not go so well within the year in and around those conversations about the things to put into the annual report?

Chief Executive, Government of Jersey:

I am sure there was. I am sure there was, yes.

Director General, Strategic Policy, Planning and Performance:

By way of example, we talked about the vaccination programme. That did go well and we want to highlight that, and then we also talked about some of the challenges last year around ambulance

response times. We have talked about that in here as well because we wanted to make sure that we were presenting a balanced picture in what we brought forward so, yes, conversations were had.

Mr. P. Taylor:

You have talked about some of the challenges that you are facing that did not necessarily come out of the tracker, but which will nevertheless have an impact on your ability to deliver the Government Plan. You will be talking about some of those challenges around information, resources that are needed, performance management systems?

Chief Executive, Government of Jersey:

Yes, absolutely.

Mr. M. Woodhams:

I do have a very quick question. You mentioned obviously the difficulty producing a report because the States of Jersey is such a large organisation in terms of its responsibilities in a relatively small jurisdiction. Do you ever do an exercise of comparing how other similar jurisdictions deal with their reporting?

Treasurer of the States:

I will from time to time read some of those other jurisdictions' reports out of curiosity to see how they are dealing with similar challenges, to see what their finances look like, as I did when we launched the Government Plan or Ministers launched the Government Plan. On the very same day, the Guernsey authorities launched their ... what they still call a budget instalment, so by all means we are looking at how their financials are doing to see how they are doing likewise as well, yes.

Chief Executive, Government of Jersey:

But learning from good practice across the board and sharing that practice, and even sharing more of how we do things across other jurisdictions is definitely something that we are focused on at this point in time, and that includes good practice from other places as well, so the answer is yes.

Deputy L.V. Feltham:

Thank you. We will move on to the next topic, which is the *Finance Law Delegation Report*, generated June 2022. Matt, you have some questions on that.

Mr. M. Woodhams:

Yes. I am not going to try and catch them out really by asking them to list what it says, but it covers obviously the summary of the States position and it deals with things like transfers between heads of expenditure, transfers to following years' reserves, transfer of major project heads - and it goes

on - improvement of allocation of time, financing, borrowing, lots and lots of different areas. I am not an accountant, I am a much simpler solicitor, and such things I need accountants to explain to me because they are more complicated. That is what it contains as information. What is the purpose of it and publishing it?

Treasurer of the States:

The reason we publish it, it is a requirement of the Public Finances (Jersey) Law for the Minister to publish twice a year all transactions in terms of changes to budgets that have been approved by the legislature. The Minister for Treasury and Resources is privileged in that he has certain powers to be able to move budgets around from one place to another or add to budgets that have been approved by the States Assembly. They are the only 2 bodies who can award funding to departments, so the point of the report is a summary accountability report, if you like, that summarises in one place every 6 months all of those transactions and cross-references them - and when I say "transactions", it is budget transactions - to the decisions through which the Minister did those in the first place, which are also public record. It is a dry read and it falls out of a requirement of the Public Finances (Jersey) Law 2019.

Chief Executive, Government of Jersey:

It is for the purpose of transparency.

Mr. M. Woodhams:

Okay, purpose of transparency. One of the things ... people have a lot of documentation to read; they have a lot of meetings; they have a lot of very fat documents. They have got this as a 16-page document. If it had been formatted properly, it would have been a 12-page document. I have to say, this is probably one of the worst formatted documents I have seen, which unfortunately shows somebody has copied something, pasted it and there has been very little care in how it has been published. It is mis-justified left and right, tables are sideways, there is often paragraphs. The format itself is not a good one, but all of the things we said before tell a story, and it shows what journey we are on. This is a raw data dump for it. When we are deciding what we are publishing - and we do not just do things solely for statutory purposes, there is a reason why we have processes - it is what is this going to show and when we are signing this off to be delivered, is it the right thing to present to the States to help the States understand what is happening?

Chief Executive, Government of Jersey:

It is transparency for reconciliation purposes, really. I am sure that we can look at it to try to make it more of a story and to try to rationalise how it is presented in a much better way, but it is a statutory requirement, is it not, that we do this, Richard?

Treasurer of the States:

Yes, it is, and I understand the point. If a law tells you to do something, we should understand the reason.

Mr. M. Woodhams:

I am head of compliance for a large financial services firm in Jersey. I am required to do large amounts of reports for statutory purposes, otherwise the J.F.S.C. (Jersey Financial Services Commission) will have my guts for garters, but they also have to be understood and useful to my boards.

Treasurer of the States:

Yes, okay. So this is the first feedback we have had on the initial report since we first produced it biannually ...

Chief Executive, Government of Jersey:

2007.

Treasurer of the States:

... since 2007. I cannot recall ever being asked a question on the report since 2007. We do get asked in respect of the decisions that underlay this report. Each of these transactions or budget transfers is backed up by a ministerial decision that was made at the time. Other than in a very few instances, which are a matter of public record associated with their press releases, there is more in this document than there would normally be, partly as a result of us not issuing the half-yearly report as progress on the Government Plan and the half-year finances. I am sure you are about to ask me that question.

Mr. M. Woodhams:

Yes.

Treasurer of the States:

We should have thought of that and I asked someone earlier today. I said: "How many times have we issued that half-yearly report?" It has only been issued 2 years. It is a very new development that we have. Would you like to ask me that question?

Mr. M. Woodhams:

Yes. We did not publish it. What was the rationale for not publishing it on this occasion?

Treasurer of the States:

The rationale was ... and you will be aware that the election date changed during the year and the election therefore coincided with the time for issuing this report. The front end of this report, it would be the half-yearly version of the annual report, which is progress against the objectives of both the Council of Ministers and departments, and the second half would have been the financials. It is a relatively new report, which makes this ... if you like, this dry report, it gives it some colour. That was going to prove very difficult to produce during the middle of an election and put out in the middle of an election. We could not put it out in the middle of the election and it would, from our perspective, have reduced utility to new Ministers fairly late in the day as it related to the performance of a previous government. But from a more operational perspective, the same team that is responsible for this half-year report is the same team that has to get to grips with delivering the Common Strategic Policy document for a new Council of Ministers and a Government Plan in very short order. It is particularly ...

Chief Executive, Government of Jersey:

Also a mini budget.

Treasurer of the States:

So we felt that all the documents and the needs that we had to achieve in very short order, this could, as an exception, be dropped for this current year which, as I say, would have only been the third and fourth that would have been made.

Deputy L.V. Feltham:

You said that you could not issue the report during the election period. Can you tell us exactly why? I am not aware that there was anything within legislation or am I incorrect?

Treasurer of the States:

Had it been issued in the period of the election, it would of course be laid by the Ministers, not by officers, and very often therefore there are ... I cannot remember what the rules are called now.

Director General, Strategic Policy, Planning and Performance:

Pre-election period rules.

Chief Executive, Government of Jersey:

Yes, pre-election and the protocol around it, yes.

Treasurer of the States:

Protocols that prohibit almost promotion for successive or otherwise proposals.

Deputy L.V. Feltham:

It is an administrative document and report on how the administration has performed or is it supposed to be a document about promotion? My understanding is that this is a document about how the administration has performed and how ...

Treasurer of the States:

If you mean by "administration" officers, no, it is of the Government. Government therefore includes Ministers. They could put financial figures out which would be entirely factual. It may be tricky to put interpretation over the top of that.

Deputy L.V. Feltham:

If you were not able to promote it - I use that term because you used it - or publish it publicly, did you produce the report for internal consumption for the benefit of the Executive Leadership Team?

Treasurer of the States:

So there is half-yearly reporting. There is quarterly reporting to Ministers and the Council of Ministers on the financial position against budget and that was available after the Council of Ministers had come in place for them to consider, as well as every month the financial progress against budget is reported to the Executive Leadership Team. In terms of performance, there are similar reportings ...

Chief Executive, Government of Jersey:

Yes, it is the same, it is the same. Performance is reported quarterly and it is the same performance indicators that you will see in this report that is reported quarterly into E.L.T. for internal purposes.

Deputy L.V. Feltham:

So the 6-month performance report - I will let you get back to your question, Matt - as presented to E.L.T. at that point could be presented now post-election to P.A.C. if we requested it?

Treasurer of the States:

None of those documents are written in the same format as they would be if they were going to be presented publicly. They are largely driven by as appropriate for internal management purposes and internal ministerial purposes. Some of the ...

Chief Executive, Government of Jersey:

Some of the performance information is published though.

Director General, Strategic Policy, Planning and Performance:

The quarterly performance ...

Chief Executive, Government of Jersey:

The quarterly performance information is published.

Director General, Strategic Policy, Planning and Performance:

... is consistently published. So the same information that comes to E.L.T. is published.

Chief Executive, Government of Jersey:

So it is available on the website.

Director General, Strategic Policy, Planning and Performance:

There is no difference with that.

Deputy L.V. Feltham:

Okay, thank you.

Mr. M. Woodhams:

Given this document is to make sure that we have transparency about the financial situation in Jersey and transactions that have taken place and it is published to the States Assembly, therefore it is also published generally to members of the public of Jersey, how accessible is this document in allowing people to understand what the financial position is? Not just giving a series of figures, because that is not accessibility, but to understand what the financial position is of Jersey.

Treasurer of the States:

If you are meaning this document, the document that you asked the initial questions on, it is not a document that is intended to demonstrate the financial position of the Island. It is purely a document

...

Mr. M. Woodhams:

Of these transactions it is though, is it not?

Treasurer of the States:

I am mistakenly calling them transactions. They are additional budgets that the Minister has made under his powers on top of those budgets that are set in place by the Assembly.

Mr. M. Woodhams:

That goes back to the question at the beginning. You said this is for transparency. Transparency for what? The reason that you have transparency is so that the public are aware of something. What is it that the public are being made aware of and can they understand it when you have made them aware through that particular format? Because that is the reason we are transparent.

Treasurer of the States:

If you were to say what is the ... if you were to ask me who I believe the primary stakeholders are, they are the States Assembly, so States Assembly Members can see how the authority ... sorry, the budgets that they have established through approval through the Government Plan have been amended by the budget by the ...

Mr. M. Woodhams:

But how do they understand it? Have they ever asked you questions about it?

Treasurer of the States:

I have had very few questions. We often have questions arising from individual transactions or the contemporaneous places which they arise.

Chief Executive, Government of Jersey:

Especially around ministerial questions, you will get questions, yes.

Mr. M. Woodhams:

You see, I have a bit of information, just to give you a bit more background with regard to the accessibility - also particularly for States Members - is that if you get this report and you want to go and look at particular transfers, you have to go to 2 different websites, various different reports, clicks. It does not give you the journey or the story about what these are. This is a data dump into a Word document that is then published. It is box-ticking. It does not tell anybody anything.

[16:30]

It is a report at the moment that has no value. If something is to be created for statutory purposes, it has to have a value, so if we are talking about transparency, it has to be ... I would suggest the best thing to do with this one is: what is the underlining purpose of this document; why are we publishing it at this stage; what are we wanting to tell somebody? Because if it is just a series of data without the story, the journey, assurance, analysis, it does not help anybody with anything.

Treasurer of the States:

If there is anyone it helps, it helps me, but apart from that ...

Mr. M. Woodhams:

That is a good start, that is a very good start, but we want it to help more than just one person on the Island, hopefully everybody.

Treasurer of the States:

This is a half-year version of a report that forms an important function that is audited by the auditors for the Island, which compares regularity and compares spend against the budgets that have been established through the States Assembly and through the powers of the Minister. There is a table in the back. It is not normally a table we put in the half-year report, but it does form part of the regularity opinion because it also sets out where budgets were set by the Assembly now that have been approved by the Minister, so it is only part of a story. It is not intended to show the financial position of the States of Jersey and that would be a function of the half-yearly report.

Chief Executive, Government of Jersey:

Yes, it would do. I think you are right, Richard. In terms of regularity, that is what it is trying to do in a transparent way. However, having listened to what you have said, I think we can certainly take that away and consider how we make it more readable and more understandable for future.

Mr. G. Phipps:

If you did not need it this year, maybe you would change the legislation so you do it once a year instead of every 6 months and save yourselves some money if in fact you are meeting your needs and stuff, so that is something else. But the quick executive summary on the top of it, if it is to say that all of the transactions are recorded, there is nothing unusual, rest assured you can relax, there is your executive summary maybe, just as simple as that, if that is the purpose. In terms of the transaction of taking money out of the Health Security Fund and moving it to the Jersey Care Model, would that be one of the items that would have been flagged, it would stand up and show? Because that is certainly one that has raised some attention. Is that one of the purposes of this report, to show when there is something unusual like that that happens?

Treasurer of the States:

That is effectively decided in the Government Plan, so that forms part of the proposition that went to the States Assembly. It is not that subsequently a Minister approves. However, we will ask for assurance that the purpose for the funding ... or, sorry, that only the things for which the transfer is supposed to be approved have been used in order to justify the transfer.

Mr. G. Phipps:

It would show up in this report if that was not the case and it would be flagged? Is that ...

Treasurer of the States:

I will check. We do put it in the annual report ...

Chief Executive, Government of Jersey:

Yes.

Treasurer of the States:

... and accounts for the annual report. I will have to check whether it is in this half-yearly ...

Mr. G. Phipps:

I am just trying to understand the purpose of the reporting?

Chief Executive, Government of Jersey:

Yes.

Mr. G. Phipps:

Okay, that is fine.

Deputy L.V. Feltham:

Just taking on board what you said about this being a report for the States Assembly in understanding when items are moved from one head of expenditure to the other ...

Chief Executive, Government of Jersey:

That is correct.

Deputy L.V. Feltham:

... and you made reference to the fact that the heads of expenditure are approved by the States Assembly. That approval happens within the government planning process, in your view do you think there is enough information within the government planning documentation to enable States Members to understand what those heads of expenditure mean and how money is going to be spent within those heads of expenditure?

Chief Executive, Government of Jersey:

In my view, and Richard can come in on this as well, but in my view, from my experience, there is a lot of information in the Government Plan in terms of how finances are going to be utilised. I think that as the year goes on ... obviously, you know, it is lodged now and will be debated in December, and the spend and the priorities will start taking shape and being delivered from January. But as

the year goes on there is always a requirement for some things go a little bit slower and some things arise that we are not expecting to arise, and there is always a requirement in any government budgeting cycle, I think, to look at when there are underspends in one area, potentially reallocating them to something where it could best be utilised and that is what this is doing. But up front in the Government Plan, I do think that there is quite a lot of information there and hopefully enough for States Members to appreciate. Then as we report back in on progress, and particularly through half-yearly reports, et cetera, that, again, they get a flavour for exactly what is happening with that money and where it is being spent. Do you want to add to that, Richard?

Treasurer of the States:

I think this is back to the issue that arises with the financial report and accounts and the sheer volume. It is supported by supplementary documents that allow the Government Plan to not become over-burdensome. In the annexes, the annex, if you like, there is far more information in respect of growth or new projects, i.e. not as much information about the base projects of departments but that is explained in a bit more depth in the annexes, which are due to be published imminently. They are in final draft. We would normally have them at the same time as the rest of the Government Plan but given the timescales to put the Government Plan in place they are following. But there is far more information that comes out in those annexes that allows you to see by savings area within single heads of expenditure for departments where it is intended funding will be applied. But what we are trying to do is not put too much information into the Government Plan but support it with supplementary information.

Deputy L.V. Feltham:

Thank you. I am conscious of time and us coming towards the end of hearing soon. Going back to earlier on in the hearing, you mentioned with regard to the root cause of some of the key things, specifically in relation to quality and safety of services, around the importance of leadership. What are the key actions that you are expecting the Executive Leadership Team to take in order to take the recommendations of P.A.C. and the Comptroller and Auditor General forward, and to resolve this issue whereby we have 300 outstanding recommendations? Some of which are very long-outstanding recommendations.

Chief Executive, Government of Jersey:

I think that what I am really talking about there, by way of leadership, is ensuring that these issues are prioritised in the right way at the right time. That, obviously with leadership, you know, that their teams are taking forward the actions within them, that they are holding their teams to account for doing that as well, that is leadership. They are building the capacity of their teams as well, to take that forward, and that leadership teams themselves are looking not just down within their departments, but looking across the organisation and collectively solving some of the issues that we

are facing here. Of course, you know, leadership is about taking on that level of responsibility and making sure that there is enough capacity within the system to be able to implement those plans if they are identified as priorities.

Deputy L.V. Feltham:

So, given that we have heard today that you will be including the recommendations within the performance framework for the Directors General, what specific actions will you be requiring them to undertake?

Chief Executive, Government of Jersey:

So the prioritisation process itself, to take part in the prioritisation process itself, and that they also take part in the audit process too. Which is going to weed out, I guess, some of those long-standing recommendations that are no longer potentially relevant. Also, then making sure that their teams put in the action plans in place under their specific areas and that they take part in the Executive Leadership Team discussions around how we are monitoring these. Also take responsibility for making sure that we get to the targets that we have set.

Deputy L.V. Feltham:

Can you explain exactly what that prioritisation process entails?

Chief Executive, Government of Jersey:

So what I would like to do with the themes is to group each of the actions that we have, each of the recommendations that we have, in the tracker. All 300 of those recommendations under each of the themes. There may well be ... when we see that, there may well be some that sit outside those themes and we will have to think about how we deal with those and what we will do with those. That we then also do a process in the background with the officer group which tries to combine, potentially, some of those. So we have fewer, potentially, to deal with. That then we, as an Executive Leadership Team, actually go through a workshop which prioritises them and prioritises them according to the criteria that we talked about earlier. Whether that is risk, whether that is reputation of the organisation, whether that is something which is a recurring theme that we absolutely need to get to grips with. That is the process that we will go through so that it is really clear that there are a number of top priorities. I would like to see that when we may have to ... we may have to say that we are going to focus on these priorities for this period of time and then, you know, we will come back and look at the next set of priorities. So if we could say that risk ... the higher risk profiles are the one where there is a real, you know, financial issue associated with them, that we will focus on those particular areas for a 3-month period and then come back and look at some of the others, so --

Deputy L.V. Feltham:

When is that work scheduled to start and finish? When should the P.A.C. expect to see a report back from the Executive Leadership Team on that?

Chief Executive, Government of Jersey:

So the themes themselves, have really only been identified through the process we have just gone through and the correspondence that we have had back and forward. The process of grouping them under those themes has not yet started. I know that the themes have been talked about at the officer group, but we need to do that process and I would say it will probably be ... it is likely to be in the new year, because we have a few things that we really need to focus on before the new year. It will probably be in the new year before we really have that workshop and that prioritisation process really thoroughly worked through, because it might take a number of goes.

Chief of Staff:

Just on those recommendations that pre-date 2020, so ...

Deputy L.V. Feltham:

The audit?

Chief of Staff:

... the departments are already looking at those and so if there will be a number of those where what I would say is the world has moved on. I know that the Directors General, they do have regular meetings with the Comptroller and Auditor General and the intention is that they will bring those recommendations that they do consider are now not relevant because either we have implemented them but not actually told you about it, or they have been superseded by more recent reports, and to have that conversation with the Comptroller and Auditor General and yourselves to say, there is a cohort of recommendations here actually that we think we can close off. Not because they have been implemented but once moved on we have got a new set of recommendations and a new set of reports, so that by the time we get to probably February next year, the recommendations that are on the tracker are the ones that we need to focus on in terms of ongoing improvements. So I know they want to have those conversations earlier with the Comptroller and Auditor General so that when she is setting her briefs for reports, does have discussions with the Directors General so she does take on board some of their issues as well. So that is the focus over the next couple of months and the lead officer group is already looking and pulling off those recommendations that pre-date with the reports, so that they can then have the discussions in their S.L.T.s (Senior Leadership Team). When myself or the Head of Financial Governance goes to those S.L.T.s we will then be the critical challenge as to whether we think they should be closed given the evidence that they are providing us with.

Mr. M. Woodhams:

Good question. Is the risk management environment you have got to look all the sufficiently mature to be able to consider the themes, the root causes? Have you finished the process design in that or is that another task in hand?

Chief Executive, Government of Jersey:

That is another task that is in hand. When I said we have some things to do first that is exactly what I meant. Yes.

Deputy T.A. Coles:

Can I ask what you ... because given there is a number of reports that are still to come out this year, and you are targeted to get rid of 80 per cent of them recommendations off the tracker as it is, what do you consider to be a healthy number of items to remain on the tracker by the time the end of this process?

Chief Executive, Government of Jersey:

How long is a piece of string? Well, obviously, 300 is not ... we cannot cope with that because you just, you know, you cannot see it all in one place, can you really? You know, so, I mean, this is me speculating, but if we were able to get down to a figure of, you know, somewhere between 50 and 100, I think it is much more manageable, is it not?

[16:45]

Mr. M. Woodhams:

How are you also tackling the 80 per cent? Is it the 80 easiest or 80 most risky?

Chief Executive, Government of Jersey:

No, no, no. So it is the 80 per cent of those that were open on 1st January, at the beginning of this calendar year. It is the 80 per cent of those that they have to focus on.

Mr. M. Woodhams:

Which 80 per cent are you picking?

Chief of Staff:

So, we ... sorry, should I come in now? So we do not pick the 80 per cent, it is the departments working through. So it is not about closing them down, sticking in a box. Last year when we brought in the target, we brought the target in and said: "Let us see where we get to on the 80 per cent." As

we close off more of the older recommendations, I would not anticipate over, say, 2023, that we would actually close off 80 per cent, because a lot of those new recommendations have longer time frames with different milestones. So the principle is not to close as many as we can, the principle is to make sure that when we are closing them that actually we can evidence them well and they are making the necessary improvements. So it is not about the tick box, while it may look like it is from an 80 per cent, we are not telling departments you need to get to 80 per cent. If they do not get to 80 per cent I am happy as long as we have closed off those recommendations we have done, and that you have the proper evidence to be able to then give us the assurance that you are happy with it. When we did not have the pending closure field, when P.A.C. did go in and I would say a mystery shop, sometimes they found that items and recommendations had been closed that did not have sufficient evidence. So it is us doing our due diligence. So the target is not as a tick in the box, the target is to enable ...

Chief Executive, Government of Jersey:

It is a stretch target ...

Chief of Staff:

... us doing our due diligence in a proper way.

Mr. M. Woodhams

Yes, good.

Deputy L.V. Feltham:

A number of the recommendations have gone well past their closure date, is there a target -- do you work on targets to try and close them by the agreed implementation date? Because the implementation date is something that is set by departments on the basis of the urgency, the complexity and the resource requirements. So when setting those dates they should be achievable, so why are we now in a position where we have got over ... around 300 that have not been achieved? What percentage of those are past their closure dates that were agreed by departments as being achievable?

Chief of Staff:

So I cannot give you that particular detail as of now, but I can say that into ... I think, when we do the executive responses, at the time departments have been over-ambitious about what they can achieve during that timeframe. What we have put in now is an extra field so that when we do get a revised target you can see it and we can see it, rather than what you what used to happen when the target just changes. So when we have been going to Senior Leadership Teams we have been saying to them that what we want to do is if we put in a longer timeframe target, we then have 6-

monthly milestones so you can monitor progress rather than having a target that comes and goes and then they need to revise it. So by looking at it perhaps with a longer timeframe but with 6-monthly or 4-monthly targets, dependent on the target date, we are able to tell that story in a better way, be able to give you milestones rather than getting to a point where target dates are missed and the revised target date goes in. But I think it is also at the executive response stage, taking more time at that stage to actually have a conversation as an S.L.T. to see what they can achieve and also having the conversations with the Comptroller and Auditor General. Because all the departments have the opportunity to have discussions about those reports and recommendations.

Mr. M. Woodhams:

You have talked, obviously, just very briefly about accountability to people, making sure you do not set over-ambitious in timescales or other. When you have a situation where you have nearly 300 overdue actions, is that feeding itself into the risk picture for the States? So the higher they are going up, the higher the risk position?

Chief of Staff:

So not all of them are overdue actions.

Mr. M. Woodhams:

No, but when they do become overdue?

Chief of Staff:

When they do, yes, because that is something that when we go to S.L.T.s that we look at. Then we have the conversation and the dialogue. So when we take our extract off, we would tell them which areas we want to look at when we go to meet with them. I then feedback to the Chief Executive, not department by department but in an overall strategic way of where we are. We provide support where necessary, or the DG will pick up with the Chief Executive in the one-to-one if they have got a particular issue that they cannot meet those targets.

Deputy L.V. Feltham:

Just for clarity for the public watching as well, the quarterly report that we were provided says that one recommendation was at red status, which is way overdue. Around 50 per cent are currently classified as amber one, and almost 45 per cent in amber 2 and amber 3. So that is a large percentage of recommendations that have not been implemented within the timeline. Just for clarification.

Chief Executive, Government of Jersey:

Or fully implemented. Yes, because some of them ...

Chief of Staff:

Or fully implemented and that is the amber flag status that we are looking at, at the moment. So the timeline may be quite way out in a couple of years and so that is why they are moving along and progressing, but they are all in that cohort of amber that does not tell you anything about what has happened. So that is where we are now going to look at putting milestones in and we will rank-status the milestones rather than the end date. So we are currently reviewing that. It was something that the Comptroller and Auditor General picked up when she reviewed the tracker system.

Deputy L.V. Feltham:

How many of those recommendations would you say are carrying significant risk to either the organisation or the public in terms of quality and safety of services?

Chief of Staff:

I could not give you an answer here and now, but I could get you something by the end of the week where we can give you a breakdown of that. Our view is putting in the risks field and then activating the priority status which has not been fully activated will give us a much more truer explanation.

Chief Executive, Government of Jersey:

I think that we do have a risk management process in place, alongside the tracker. I think that anything which is of significant risk will be within that risk management process. So there is a parallel process that is looking at risk and trying to actively manage down level of risk that we have in the organisation. I do think though, as Catherine is saying, we are going to risk-profile against this tracker and just make sure that we cross-reference all of that into a risk management system as well. But that is going to take us a little bit of time to do. Those questions that you are asking, I guess, come back to the need to really rationalise all of this, to clean it up from where it is, to really rationalise it, to prioritise it, to risk-profile it, et cetera. So it is much more easy to manage, much more meaningful as well too, so that, you know, P.A.C. and the C. and A.G. can be assured that these things are being taken forward.

Deputy L.V. Feltham:

As a relatively new C.E.O., you are still in your first year, what is your level of confidence as to how those risk profiles are being managed?

Chief Executive, Government of Jersey:

My level of confidence is that looking back over the last number of years, which I have done since I have come here, and what information has been put in place, what systems have been put in place and what ownership of risks, et cetera, are existing across the organisation, is that we are absolutely

improving in terms of how we are managing risk. But we are still ... I have said it, we are still on a journey and there is still work to do and there is still work to do about the data and the information. There is a real focus on that process at the minute, and we have a number of workshops set up to make sure that we have the right levels of assurance around actions that are being taken. So, actually, at this point in time there is a huge level of focus on managing risk and we know that obviously the Comptroller and Auditor General did a review of risk management from her previous report that was done a number of years ago, and certainly would confirm that. That report confirmed that we certainly have improved how we approached risk management over the last number of years.

Deputy L.V. Feltham:

Given that we have only got a few minutes left, what are your reflections of the actions that you, yourself, are going to take away following this hearing?

Chief Executive, Government of Jersey:

Obviously, we talked a lot about the tracker and a lot of detail about the tracker. Absolutely we need as an organisation with 300 actions in it to get a grip of that. To make sure that, you know, we are rationalising it, we are managing it, that people are held to account for it, that there is the right level of leadership, et cetera, across the organisation. The right leadership time and effort given to making sure that that happens. I think in terms of the annual report, as well, you have heard both Richard and I say it is too long and we agree with you. We will certainly look at how we rationalise that. Tom has obviously involved in that as well. How we make that story more meaningful and tell the story, I think that has absolutely come across. I also am taking away from this in terms of recurring themes as well, because we talked about that a few times too. So there is the amount of work that is going on to try to deal with some of those issues that have been recurring themes and to, you know, to come back to P.A.C. at future dates and to continue to give you reassurance about how we are continuing on that journey to improve. How we are approaching risk management, how we are approaching performance management, how we are approaching how we manage our people, how we do leadership across the organisation, et cetera, as well. Then, lastly, of course, we talked about this report and we will certainly have a look at this report and how it is produced, how it is formatted and really being clear about who it is for and what it is trying to say. Thank you.

Mr. G. Phipps :

Being the old timer on the P.A.C., because the rest of them are all new, and I am also old, I would like to compliment you on the attention you are putting towards the performance tracker. In spite of all that, you know, our job is to raise issues but I am very pleased to see the attention and the concern and, yes, we will hold you to account on delivery on that. The other areas that the suggestion is in the reports. It has come up a few times, we see a lot in P.A.C. and all of the elected

members of legislation see all kinds of reports and what we see often is an awful lot of pages. So there has been a lot of work in it but what is missing is a simple executive summary: here is the bottom line, here is what we recommend and the “so what”. It would make life for us so much easier and it has come up in some of the reports here, the story. Like, what is the message. I think it is because there may not be the capabilities or some training may be needed, or whatever, but I think that would make life for all of us a lot easier, so I just wanted to suggest that might be another ... I know you have got lots on your plate.

Chief Executive, Government of Jersey:

It would make life easier for me as well.

Mr. G. Phipps:

Then you might do it. Thank you.

Deputy L.V. Feltham:

Finally, before we close, is there anything else that you or the officers present need to tell us or you feel that the Public Accounts Committee needs to know?

Chief Executive, Government of Jersey:

No, I do not think so. Just grateful for your time and for the insightful questions and suggestions.

Deputy L.V. Feltham:

Okay, thank you, Chief Executive, and to the officers for attending our hearing today and addressing the committee’s questions. Thank you as well to the Government officers from Scrutiny for your time and those that have contributed today, also to the members of the public that have watched the hearing. I would also like to say thank you to the Board of Governance for the Comptroller and Auditor General who have also been observing today during their visit to the Island. I will now draw this hearing to a close.

[16:58]