

STATES OF JERSEY



REVIEW OF ESTATE MANAGEMENT (P.A.C.1/2019): EXECUTIVE RESPONSE

Presented to the States on 11th April 2019
by the Public Accounts Committee

STATES GREFFE

FOREWORD

In accordance with paragraphs 64–66 of [P.56/2018](#), the [Code of Practice](#) for Engagement between ‘Scrutiny Panels and the Public Accounts Committee’ and ‘the Executive’ (February 2018), the Public Accounts Committee presents the Executive Response to its [Review of Estate Management](#).

The Public Accounts Committee is disappointed that the Executive has not yet devised an asset strategy which encompasses all States-owned properties.

Senator S.C. Ferguson
Chairman, Public Accounts Committee

**REVIEW OF ESTATE MANAGEMENT (P.A.C.1/2019):
EXECUTIVE RESPONSE**

Departmental Response to: [P.A.C.1/2019](#)
Response required by: 23rd March 2019
Review title: Review of Estate Management

Action Plan

Findings/ Recommendations	Action	Target date of action/ completion	Responsible Officer
<p>Finding: Recent responses to C&AG recommendations did not contain commitments to implementation with firm dates or deliverables. Recommendation 1: The Director General should make a much clearer commitment to what would be actioned, by whom, and with clear deadlines. The establishment of a Corporate Asset Management Group and recruitment of a replacement Director of JPH should be prioritised.</p>	<p>1. Within the context of the Target Operating Model for GHE and in light of C&AG recommendations and the PAC concerns, there will be a revision of the Property Holdings operational arrangements. The extant role will be split in 2 with a dedicated Director for Property. That role will hold responsibility for strategic asset management and the establishment of a Corporate Landlord function, including operational estate management, facilities management and maintenance. Recognising the need for progress, an Interim Director appointment has been made, and a temporary team will be pulled together from existing resources specifically to draft the Estate Strategy. The strategy team will start work on 25th March 2019.</p>	<p>Q2 2019</p>	<p>Director General for Growth, Housing and Environment</p>
<p>Finding: No Key Performance Indicators (KPIs) had been identified. Recommendation 2: KPIs should be identified and reported by the Department, or at corporate level, indicating the benefits or improvements that arise from the progress and completion of the actions. Actions should be prioritised and where those actions fell short of what was originally</p>	<p>2. Following definition of the Estate Strategy, we anticipate that a first cut of potential KPIs and a property performance framework will be ready for discussion with the PAC in July. As highlighted above, the TOM is being amended to reflect the importance of this issue. The new organisation will facilitate performance management and allow the planning and tracking of activities effectively, with the Estate strategy providing a framework for prioritisation.</p>	<p>July 2019</p>	<p>Director for Property</p>

Findings/ Recommendations	Action	Target date of action/ completion	Responsible Officer
envisaged, explanation of the factor(s) that hindered progress and steps taken to address the identified failings, should be provided.			
<p>Finding: There was specific reference to a TOM (target operating model), but with no agreement on how its implementation would progress a meaningful plan of action.</p> <p>Recommendation 3: Clarify the ownership, responsibility and delivery of TOM, specifically how it will deliver the aims, objectives and goals of JPH.</p>	<p>3. As outlined above, the TOM will provide both a strategic forward-looking planning function and an operational co-ordination function for property management. Recruitment for the permanent Director appointment will follow GHE consultation and, once this is complete, recruitment to the team at appropriate levels below the Director will commence. The detailed TOM is being addressed now, hence the reason the Interim arrangements are in place to ensure progress is made in the intervening period.</p>	July 2019	Director for Property
<p>Finding: JPH cannot demonstrate ongoing improvements in building performance and efficiency, including the condition and suitability of buildings.</p> <p>Recommendation 4: A joined-up approach and written strategy which incorporates acquisition/ disposal/ utilisation/ maintenance should be developed as a priority.</p>	<p>4. The C&AG review and PAC scrutiny identified the absence of a strategy as a fundamental weakness in the approach of Property Holdings to its tasks. As detailed above, a team is being established specifically to draft a comprehensive high-level strategy which will be adopted by all departments and used to direct asset management of the entire States' estate.</p>	July 2019	Director for Property
<p>Finding: 'Bilateral discussions' with individual departments are not good substitutes for comprehensive overarching corporate discussions which would consider competing needs and timetables of all departments in relation to their property requirements.</p>	<p>5. As part of the implementation of the One Government Proposals, the CEO has instructed all departments to comply with the expectation of delivering a single corporate asset and property management arrangement. Discussions have taken place at the Corporate Executive Management team to ensure that the Director General for Growth, Housing and Environment is the ultimate SRO for this work, and the departmental</p>	Q1 2020	Director General for Growth, Housing and Environment

Findings/ Recommendations	Action	Target date of action/ completion	Responsible Officer
Recommendation 5: The Director General should engage in a comprehensive discussion with stakeholders at the earliest opportunity to gauge “buy-in” to an informed strategy.	arrangements will be cleared and agreed with him in order that there will be a single focussed approach.		