

4.6 Senator S.C. Ferguson of the Chief Minister regarding expenditure related to the reform of public services: [1(581)]

Given that, when standing for election as Chief Minister in November 2011, the Minister stated that: “Modernising the public service must continue”; and said on 3rd November 2014 that: “We must keep up our efforts to reform the public services.” Can he explain what he has achieved with the past 6 years’ expenditure and outline why he considers that a further £700,000 must be spent in the next 6 months?

Senator I.J. Gorst (The Chief Minister):

There has been substantial change across the public sector. Departments have been reforming the way they work. We have reduced headcount by 500 in 3 years and by 2019, during the course of this M.T.F.P. (Medium Term Financial Plan) we will have saved £77.5 million. But we still have not become one government organisation. That is what the interim team will be working towards over the next 6 months. The external members of the team have extensive expertise in transforming organisations and will help us to make changes faster.

4.6.1 Senator S.C. Ferguson:

Would the Chief Minister like to detail a little more about the improvements which have been made given the culture problems exemplified by the complaint by Prospect to the Minister for Health and Social Services regarding bullying? The headcount is still up around 6,500 members of staff. We have a very hefty management structure, where are the improvements?

Senator I.J. Gorst:

The Senator knows that there have been many improvements but in her supplementary question, yes, she knows the headcount has been reduced, she knows that we have made savings, she knows that in various departments we are working more closely together, particularly around the policy area, she knows that we have created new arm’s length organisation, for some areas of government service they are in new buildings. But the crux of her supplementary question gets to the point that she wants us to reform in a way that I think the new chief executive and the new interim officials working together with officials who are already here in Jersey and employed by the States are going to deliver this ‘one government’ approach, which is going to allow for some of the changes in the way that we manage and provide our public service and ensure that sufficient resources are going to frontline services, which I think she supports.

4.6.2 Deputy T.A. Vallois of St. John:

Could the Chief Minister pledge to have an analysis of where we are currently in order to be able to measure the future work of the Chief Executive and the improvement team that are coming in, and also agree that any potential savings that are made in the future will not be taken out of the budgets because they are needed to assist the public services, not to reduce them.

Senator I.J. Gorst:

We will be shortly publishing an update on the Change Programme, but I think what the Deputy is asking for is beyond that, is a more detailed piece of work which I am happy to talk to her about the details and the matrix that she would want in such a piece of work. I think it is going to be really important to do that to show when the changes are made and when they are delivered and ultimately when they will be adjusted in due course because inevitably that will be the case that we have a baseline piece of work to do that. We need to reform the way we deliver our services and that will mean that savings can be made in some budgets. But I am on the record as saying - and I absolutely think this is the case - that those savings or changes in

the way that we spend money do need to be applied to front line services. We know we have got pressures in health which will continue, we know that the Minister for Education is doing a really fantastic job to date but the pressures in that department over the next medium term are only going to increase more and more as the differentiation of skills and how we educate our young people is going to be more important.

4.6.3 Deputy G.P. Southern:

Is it not the case that his Change Programme is in fact stalled with the public sector unions refusing to talk to him and that after 7 years of either freeze or restrictions on pay, the time has come to honestly start renegotiating with the public sector unions on pay if he is going to achieve any co-operation whatsoever?

Senator I.J. Gorst:

I do not accept the analogy about stalling. There have been long and difficult negotiations and consultations about workforce modernisation. I am hopeful with all the good work that the States Employment Board have done, together with departments, that that can be delivered in fairly short order.

Deputy G.P. Southern:

What ...

The Bailiff:

No, sorry, Deputy, we have got numbers of people wanting to ask questions. I am also conscious the Chief Minister is answering questions without notice shortly. Connétable of St. Lawrence.

4.6.4 Connétable D.W. Mezbourian of St. Lawrence:

Will the Chief Minister advise what this says about the performance of the current chief executive?

Senator I.J. Gorst:

I never want to try and play personalities. The current chief executive has served the States and the Island for 35 years. However, I knew when looking for a new chief executive that the challenges that we face as a community - and we are not just talking here about ageing demographic, rising costs of health care, improving our education system, all of those challenges that we face, but also the challenges that we face internationally - mean that we have to put the customer at the heart of how we deliver our service. It means that we need to change at a more rapid pace than we have ever done before, and it means that we need the very best experts that we can from wherever they are. I do not think that we should think that that is a commentary on the current chief executive; it is rather where we are in this time and place needing to change in a totally different way from that which we have in the past.

4.6.5 Deputy J.A.N. Le Fondré:

Just in asking this question, could I just note my in principle support for the team that is coming in, as in on the face of it, in terms of what they are trying to achieve? However, could the Chief Minister clarify the statement attributed to him that the Care Inquiry report identified organisational culture as a problem and that this is why the team was required when, as we have heard, we have known that organisational culture has been an issue for years?

Senator I.J. Gorst:

Indeed we have known that organisational culture has needed to change and in some areas we have seen that change. But the Care Inquiry reminded us of lots of areas that we have known for a long time have needed to change and we have not changed them. Some of that is about resource, some of that has been about courage, I have been absolutely clear... and we did this recruitment for the new C.E.O. (Chief Executive Officer), the selection panel, post the inquiry, and I have been absolutely clear post the inquiry. The inquiry said we have got lots of things right in our community, so we should not always forget that bit, but it also pointed to areas where we have known we have needed to change and we have not done so. I am absolutely committed to, and I have said before in this place, it may not be publicly popular, but I am committed to driving change. We will only know if this team has been successful with the results that they produce but we have really got to try because the excuse that we have known about it in the past and nothing can be done is, to my mind, no longer acceptable.

4.6.6 Deputy J.A. Martin:

Following along from what the Chief Minister just said, we will only know if these external members or experts will be successful by the things they have achieved but I would like to know how they are successful by the targets we have set them or terms of reference, a job description. I would like to know where this is because I think the Chief Minister has seen this. Just on an aside, I have a concern on the written answer to question 10 from the Chief Minister on the same subject. I hope it is written wrong because it says: "The formal decision to hire the transition team was taken at a meeting of the States Employment Board on 3rd October following a presentation by the C.E.O. designate and the chair of the commission." Surely there was not a presentation by the chair of the Appointments Commission, because that is muddying the waters completely. Because it then goes on to say the chair of the commission was in the selection process to oversee the appointments in late September.

The Bailiff:

Deputy, it is not a speech, it is a question.

Deputy J.A. Martin:

Well the question is on both: which is right? Who was the commission and what are the terms of reference and the outcomes for these 4 very expensive consultants? That is the question ...

The Bailiff:

Fine. Okay, that is a question that we can understand. Chief Minister.

Senator I.J. Gorst:

They are currently undertaking work which is largely fact-finding, understanding how we operate and thinking together with people who are already here, who have got vast experience of the service of what in management-speak might be called a "target operational model". But going back to an earlier question from the Deputy behind the Deputy, the new and incoming C.E.O. is absolutely clear that he wants to take people with him. Therefore, some of the conversations about what the new target operating model will look like, how we will structure ourselves, will be discussed and communicated with staff first, particularly any staff that might be affected by that change. I think that that is the right approach to take. I was not at the States Employment Board presentation, but it is my understanding that the presentation was given by the C.E.O. designate. The Appointments Commission chair was in attendance because she had overseen that an appropriate process was used in the recruitment process for those 4 individuals.

4.6.7 Deputy A.D. Lewis:

The Chief Minister will be aware of a P.A.C. (Public Accounts Committee) report in 2015 that was somewhat critical of public sector reform stating that there was a lack of clarity of vision, aims and objectives of the Public Sector Reform Programme. Is the Minister now satisfied that that has been overcome and that there is clear clarity here? Can he indicate fully as to what has been achieved so far and have any of those targets that were set been missed, in which case is that why he is having to take these further steps to employ consultants to ensure that targets perhaps are met? Have the targets been met?

Senator I.J. Gorst:

The overall targets of making savings in departments are on track which is fundamentally what we are about. I know the Deputy is trying to drill down a little more about individual projects in departments, and I do not have those details with me, but, as I said, there will be an update in that regard published shortly. I do not think I am speaking inappropriately when I say - and I think there is a feeling across this Assembly - that the reform programme has not delivered as widely or as speedily as we would have wished. This for my part is another of the reasons why we have to change the way we approach the provision of the services that we do and that means creating 'one government.' That will not just be about the way we deliver our service, it will also be - and we will come on to a question about this later - the way we structure our government and how we remove the silo departmental approach that we currently have. It is absolutely fundamental.

4.6.8 Senator S.C. Ferguson:

If savings are on target, where are the reductions in managers and not the front line staff? Why does the Council of Ministers not aim to run the States like the Connétables run their Parishes or even how a prudent housewife runs her household? We have heard it all before, the results we shall wait and see. Why does the Chief Minister not try and run the States in an economic manner?

The Bailiff:

Like a prudent housewife, Senator?

Senator I.J. Gorst:

I have never been called that before. [Laughter]

Senator S.C. Ferguson:

Like the Connétables.

The Bailiff:

Or like the Connétables.

Senator I.J. Gorst:

But the Senator knows that we present balanced budgets over the economic cycle and the reason that the Medium Term Financial Plan was so difficult was because it sought to do just that, at the same time acknowledging that the cost of health care is increasing, the amount of money that we need to put into education was increasing, we needed to continue to encourage economic growth and jobs, and that applied pressure to our budgeting. I think on the whole we can be really proud of the way that we manage our budget of the size of the balance sheet that we have developed over the years. So I do not see things perhaps quite as negatively as the Senator, but I do accept - and this is the difficult point to accept - that we have not in the past worked as one government and one service, therefore being able to drive out some of the duplication perhaps at the senior levels. I think that the approach that we are taking now is

going to allow us to do that in a way that we have never done before. But the Senator continues to shake her head; she is right in regard that we will only know that when we see the results.