

2018.03.19

1 Deputy J.M. Maçon of St. Saviour of the Chief Minister regarding the investigation of actions of civil servants involved in the Jersey Innovation Fund: [OQ.46/2018]

Further to the response of Written Question 104/2017 will the Chief Minister update Members on what has happened with the investigation of actions of civil servants involved with the Jersey Innovation Fund, and will he explain whether any of the report of this investigation will be published and if not, why not?

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

I ask Senator Green, the chairman of the States Employment Board, to answer this, thank you.

Senator A.K.F. Green (Chairman, States Employment Board - rapporteur)

The investigation was concluded and, as a result of its findings, appropriate action was taken in line with the States of Jersey disciplinary procedures and policies, including the code of conduct. It would obviously not be appropriate for me to publish the report or to disclose the outcome of proceedings concerning any officers as this would constitute a breach of personal data.

3.1.1 Deputy J.M. Maçon:

But there is a point that the public and the Members have the right to know about if any changes were instituted, any reporting lines were changed, if there was a management change. That is something that the public and the Members of this Assembly should be made aware of. So why can the Minister not pass on key findings of that report and publish those types of things? I do not know understand why all the document needs to be kept secret.

Senator A.K.F. Green:

I answered the question that was asked and that was regarding the disciplinary action of staff. But I am pleased to say that procedures were changed as a result of the enquiries and also the Comptroller and Auditor General's report. Also that P.1 is partly as a result of those changes in the way that we handle things. But Members might be pleased to hear a bit of good news. The Innovation Fund has substantially improved and, in fact, some loans have been completely repaid now and there is a write-back rather than write-off of £1.6 million. The loss will be substantially lower than was anticipated in that scheme.

3.1.2 Deputy J.M. Maçon:

But within that, if my question was misguided then, perhaps I should ask: will the key findings of the report be made so that we can hold the department and Ministers to account for any of these changes, such as holding them to account for introducing and adopting recommendations made by the Comptroller and Auditor General in this subject? We cannot do that if we do not have the documentation.

Senator A.K.F. Green:

I know the Deputy means well with this. There was a very clear report from the Comptroller and Auditor General, which is in the public domain, and that was about process. The report on whether it as appropriate or not to take disciplinary action against individuals is not appropriate to be in the public process. So there were changes to process as a result of the work that came back from the Comptroller and Auditor General, and it has, as I said before, resulted in some of the changes made in P.1.

3.1.3 Deputy A.D. Lewis of St. Helier:

I just wondered if the Deputy Chief Minister was able to advise the Assembly whether the £2 million that was left in the Innovation Fund is going to be reallocated and used for innovation or not?

[15:00]

Senator A.K.F. Green:

£2 million plus £1.6 is still sitting in the Innovation Fund.

3.1.4 Deputy A.D. Lewis:

Will it be reactivated and will lessons be learned from the past and will it be revitalised?

Senator A.K.F. Green:

I believe there was a States decision that that should be frozen for the time being, but it sits in the fund at the moment. The only activity is recovering the money from people that have been leant the money.

3.1.5 Deputy R. Labey of St. Helier:

What failings were identified by the report with the administration of the fund? Without any names, do the public not deserve to be made aware of that?

Senator A.K.F. Green:

The public are fully aware, if they were interested enough to want to be made aware by reading the Comptroller and Auditor General's report. That was about the process and any difficulties that the Comptroller and Auditor General saw. The question that I was asked was about the disciplining of staff. It is just not appropriate to name names or discuss staff and what action, if any, or not, was taken against the individuals. It is very clear, to answer the Deputy's question, what needed to be done in the Comptroller and Auditor General's report.

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

If the Deputy Chief Minister is absolutely clear that things have been dealt with regarding the Innovation Fund and there is still money that is sitting there that needs to be used for innovation, what confidence can he give the public to ensure that in future that governance is up to scratch and that although things may not be perfect, that they can have trust that money that is being used by the public is being used appropriately?

Senator A.K.F. Green:

This is moving completely away from the original question. I stand here as chair of the States Employment Board. If people really want to discuss the Innovation Fund and the way going forward then I would defer to the Chief Minister in questions without notice. Officers were found to have made errors of judgment. Appropriate action was taken against those officers and the Comptroller and Auditor General also found us wanting in some of the political process. All that is in the public domain. It was agreed or the States asked that the fund be frozen, if I remember correctly, because I was not briefed on the fund, I was prepared for the question on disciplinary action. As I remember correctly, that fund was frozen until a new process was put in place. It is substantially improved. Loans have been repaid. The write-back... in other words we are not writing off £2.2 million, we are writing back £1.6 million into the fund. It is a good news story but if Members want to discuss the fund then I suggest they ask the appropriate Minister.

The Deputy of St. John:

With all due respect to the Deputy Chief Minister, this question was put to the Chief Minister and it was the Chief Minister's choice to give it to the Deputy Chief Minister and it is about the Jersey Innovation Fund.

The Bailiff:

I was thinking that the difficulty with what has happened so far is that the word "disciplinary" has been inserted before "investigation" in the question, by nature of the passage of the question to the Deputy Chief Minister because the question, as first put, is in relation to the investigation of actions of civil servants, which goes ... it may or may not go to disciplinary questions but has been converted into a disciplinary question, which may not have been what the questioner intended. I think that is the difficulty because we now have the wrong person answering questions. I am not sure there is any way out of it at this stage, frankly and probably it is a matter for Deputy Maçon to bring back at the next meeting to the Chief Minister.

Deputy J.M. Maçon:

We have Chief Minister questions without notice later.

The Bailiff:

Or put it to the Chief Minister questions without notice later. Are there any other questions on something which the Deputy Chief Minister, as chair of the States Employment Board, can answer?

3.1.7 Deputy A.D. Lewis:

One of the observations that the Comptroller and Auditor General made in her report was that there was a matter of under-resourcing in the department relevant in terms of staff to get on and administer this fund. Can the Deputy Chief Minister give some assurances that if this was to happen again that it would be adequately resourced so that these errors, if they are errors, would not occur again because it was properly resourced and properly managed with the appropriate people administering, managing and running the fund?

Senator A.K.F. Green:

The Deputy makes a really good point and it is not just that area that is under-resourced in getting Government work done or States Assembly work done. That is why I support P.1. That is about the political process as well. But I support P.1, but also why I am delighted that we have a new chief executive of the States who has put forward, and States Members have seen, his new structure, if you like, for want of a better term, which will ensure that appropriate resources are going into the right areas to ensure not only do we get done what the States have asked to be done but we have appropriate governance wrapped around that as well. So I am confident that that is on its way.

3.1.8 Senator P.F.C. Ozouf:

The C. and A.G. (Comptroller and Auditor General) was indeed very critical of the fund and of the actions of officials. I took responsibility for the fund because, like pass the parcel, I was holding the responsibility for it. If I would have used the word *responsabilité* in French I would have said I was liable, responsible and answering to the Assembly but "responsibility" in the English Westminster system does not mean liability. Liability was with the officials and does he think that the changes that he cited in P.1 is going to deal with that and will he be advancing the arguments in P.1 that if we do not adopt P.1 we are going to see a similar failure in governance as we saw previously, which is a failure of officials not political, even though politicians should be responsible?

Senator A.K.F. Green:

I agree with what the Senator has said but also I think P.1 also makes it much clearer for the Chief Minister to be able to make changes in structure if the Assembly accepts it, so you do not end up with it being unclear. As I remember the C. and A.G.'s report, it was quite unclear at times who was politically responsible for oversight as well. I do accept what the Senator is saying around the officials but it is also political as well. That is why I support P.1.

3.1.9 Deputy R. Labey:

Would it be fair to say that an officer of too junior a rank was given too much responsibility in regards to the administration of the Innovation Fund and that responsibility should have been carried by somebody further up the chain? Can we be sure that that junior officer has not been unfairly disciplined?

Senator A.K.F. Green:

I agree with the question the Deputy asked: was somebody of a too junior nature responsible? Yes, possibly so. They have not been treated unfairly, I can assure the Deputy of that. But also the chief officers did not report to the Minister responsible for the fund because of all the changes that needed to be done. That is why P.1 is so important going forward.

3.1.10 Deputy J.M. Maçon:

In the last part of my question it clearly asks about the report that looked into this investigation. I am not interested in the disciplinary matters over junior civil servants but I am interested in management structures, I am interested in reporting lines, and I think the public are because clearly, during this process, there were problems there. Unless we have a transparent way in which to understand what has gone wrong, then how can we possibly know that actions that the Minister is talking about have been implemented and therefore we can hold the Government to account on these types of things. So I ask again, will the Minister go back, look at that report that was conducted and if any information, such as the key findings, *et cetera*, can be made public, will he publish that information? If not, why not?

Senator A.K.F. Green:

I am slightly lost on this because very clearly the question was about the disciplinary action of staff. It may not have been intended that it should be but you cannot read it any other way. The Comptroller and Auditor General published their comments, which have been accepted by the Chief Minister. I do not think I can help the Deputy any more. Maybe it is something P.A.C. (Public Accounts Committee) could help with.