



STATES OF JERSEY

Corporate Services Panel

Quarterly Hearing with the Chief Minister

MONDAY, 19th NOVEMBER 2012

Panel:

Senator S.C. Ferguson (Chairman)
Deputy J.G. Reed of St. Ouen (Vice-Chairman)
Connétable D.J. Murphy of Grouville
Deputy S. Power of St. Brelade
Deputy R.J. Rondel of St. Helier

Witnesses:

Senator I.J. Gorst (Chief Minister)
Chief Executive
Director of International Affairs

In attendance:

Mr. W. Millow (Scrutiny Officer)
Ms. S. McKee (Scrutiny Officer)

[16:32]

Senator S.C. Ferguson (Chairman):

Welcome to the Corporate Services Scrutiny Panel. Welcome, Chief Minister, Chief Executive and Director of International Affairs. First of all, there is the health warning, which you may have seen before, and if you could just say who you are and what your title is for the benefit of the ladies who do the transcriptions.

[Introductions]

Senator S.C. Ferguson:

Yesterday, Chief Minister, you were on the radio talking about the Strategic Plan, the M.T.F.P. (Medium Term Financial Plan) and plans to get people back into work, money to health and so on and so forth.

Chief Minister:

I do apologise for spoiling your Sunday morning, Chairman.

Senator S.C. Ferguson:

It was fascinating. I just wonder though, do you have a Strategic Plan B if the forecasts are not met?

Chief Minister:

A Strategic Plan B with regard to the M.T.F.P. and the forecasts of the income level, do you mean?

Senator S.C. Ferguson:

We have got 3 years income forecast.

Chief Minister:

Yes.

Senator S.C. Ferguson:

If we do not meet our forecasts, what is your plan B?

Chief Minister:

We have said that we will need to have continual monitoring and we agreed with the amendment that you put forward as a Scrutiny Panel. That will be important because although we might have disagreed about quantum, I think we agreed that the forecasts were within range with your advisers, although at the lower rather than the upper range. We, as you know, asked the Chief Executive with members of the Corporate Management Board to go away and think about contingency planning if income levels over the period did not meet those that were projected, particularly in regard to the end that we make savings. So we very much are of the view that the first plan of attack, if those levels are not met, is that we look to make savings. That, as you would expect, is, I can only imagine, a difficult process because of the C.S.R. (Comprehensive Spending Review) process that we went through. But we wanted, I think as you would expect, as Ministers to have some comfort that we would know where to look and there was some process around where those savings could be made. But equally, as we discussed only the other day, there is currently some flexibility and we had quite a robust debate about whether there is enough flexibility in the current plan or not and so there is some flexibility. If that gets used up, then we will be back to looking at that contingency planning and some of the difficult decisions that we will have to make there about cutting expenditure.

Senator S.C. Ferguson:

So that discussion at the Corporate Management Board about having plans for making savings, should there be extra amendments to the M.T.F.P. in reducing expenditure, that is being expanded to go on for the next 3 years?

Chief Minister:

As you would expect, we would have robust discussions at the Council of Ministers about the forecasts of income and it was more about what would happen if those were not met. Of course, do not forget, when we went through the process of getting to the M.T.F.P., we had a couple of iterations about should we put savings in the bottom line and I think the Corporate Management Board were involved in that: "Should we just slice off a couple of per cent off everybody's budget?" and you will know that we decided that that was not the right way to go. The right way was to put forward what we thought were the best estimates, where we thought the funding pressures were and where we thought we should spend greater monies with a backstop contingency position of looking to see if savings could be made.

The Deputy of St. Ouen:

The reality is though, Chief Minister, that during the Medium Term Financial Plan debate, time and time again commitments and confirmation was made regarding the fact that this plan that we have now agreed was flexible enough to deal with all sorts of different pressures, both known and unknown. Therefore do you accept that for the most part it would be wrong within the next 3 years for the Council of Ministers to come back to the States seeking increases in taxation of one shape or form simply to balance the books and to deal with perhaps matters that you previously would have believed to be able to be dealt with?

Chief Minister:

I think maybe the Minister for Treasury and Resources has been quite clear, and I support his position, that there is no intention during the course of the 3-year cycle to come back looking to increase taxes, notwithstanding you will know from the budget that we have got increases in various impôts. We can expect that to be ongoing and we know that we will require contribution increases in regard to the long-term care proposal and we know that beyond the 3-year cycle of the M.T.F.P., part of the agreement with the health strategy was to look at ways of making the growth that we know is going to happen, how we are going to fund that as well, but that is not within the 3-year period.

The Deputy of St. Ouen:

Do you or the Council of Ministers envisage making any further 11(8) requests following approval of the Medium Term Financial Plan?

Chief Minister:

It is difficult for me to be categorical, but the whole rationale for going to the 3-year plan was so that we would not need to do that and so that departments can budget across years. So if they know pressures are coming up, then they have got to look at the way that first of all they can provide for those pressures across the 3-year budgets, which should mean that there is a greatly reduced need for 11(8) requests. I cannot see that the Council of Ministers are going to look with delight on any Minister that comes forward and suggests that they cannot do that, bearing in mind that we have got the flexibility. We argue about whether there is enough. We have also got this backstop position of looking at contingency planning. We have got a more helpful carry forward process for departments as well so all of that should mean that there should be far less likelihood of any need to come back to the States for extra funding.

The Deputy of St. Ouen:

Yes, I would tend to agree with you, and equally so that I would be extremely disappointed if indeed the Council of Ministers came back to the States, or the Minister for Treasury and Resources in this particular case came back to the States with any 11(8) requests because of the fact that it was confirmed. We were told that sufficient flexibility was provided and is provided within the Medium Term Financial Plan, although the Council of Ministers made a conscious decision to remove and use up all the central growth allocations plus reduce contingency levels below that that were previously forecast. So I suppose it is just ... all we would like from you, I think, Chief Minister, is an ongoing commitment to deliver all of the range of services that we have agreed and signed up to within the financial arrangements as approved in the Medium Term Financial Plan, because surely the Council of Ministers basically will ultimately stand or fall on their ability to deliver on the promises and within budget.

Chief Minister:

Yes, and every department should work within the budget that the States has now agreed and we are of the view that going to a 3-year plan means that is more likely than has been previously the case. But it would be a bit foolhardy of me to give you a categorical assertion that that will never happen, that all this will allow for it, but I believe that all the mechanisms and processes that we have got in place will mean that it ... at this point, I cannot see that there should be a need for it.

The Connétable of Grouville:

Can I just say that it appears to me that there is no plan B, as such, if the income levels fall radically, that you are going to be basically just going round plugging holes.

Chief Minister:

Just a minute. When we use the term: "income levels falling radically" we have got to go back to what our advice was and what your advisers advise and I do not think there was any projection there of radical falls of income. There was an argument about where in the range the income levels might be, but the range was accepted. I think we were saying that we thought it was the centre of that range and one of your advisers was suggesting it might have been lower down on that range, but the range of the figures that were coming out of the Economics Department were not ... that there would be any radical ...

Senator S.C. Ferguson:

The F.P.P. (Fiscal Policy Panel) also said it was down?

Chief Minister:

No, no, no. The F.P.P. said that the pressures were down in the economy, the pressures on the economy were down, but then as we have said before, that did not mean that you see a radical decrease in income levels.

The Connétable of Grouville:

"Radical" is a word, not a figure, and I think you can just go playing around with that, but if you have to start ...

Chief Minister:

It indicates something of a large proportion rather than ...

The Connétable of Grouville:

Yes, a large figure.

Chief Minister:

Yes.

The Connétable of Grouville:

But if you had to start then cutting services, even on a percentage basis, we all know where that leads to - because I think the Chief Executive is an expert on this - when we were at Public

Services and we were told to cut the whole thing by 10 per cent, if you remember, and we got down to closing all the public toilets. Do you remember that? But that was just figures that were thrown out at the time. This could happen. What would happen then? In your mind, would you go for a cutting percentage-wise of services or would you have to have a rethink about one item in your strategic plan, cut it out?

[16:45]

Chief Minister:

You are asking me to hypothesise about an eventuality which the experts do not suggest is going to be, so that is quite difficult for me. I think currently, as I have outlined, we have asked the Chief Executive and C.M.B. (Corporate Management Board) to look at where possible savings could be made, but be in no doubt, you are quite right, they are difficult and they would be in difficult areas. I think the other thing to say is that you make the better savings by looking for the bigger numbers than you do at the smaller ones, so looking at one bigger item rather than a lot of smaller ones in that respect. We are going to come on and talk about it but part of the reform process is that we believe that savings will come out of that as well so that will give us more flexibility and reduce the pressure if the downward pressure on income levels is maintained.

The Connétable of Grouville:

There has got to be obviously less administration in cutting out one large item than cutting out many, many small items, so I can see the sense in that. Yes, okay, thank you.

Senator S.C. Ferguson:

Okay, let us move on. You have previously spoken to us about the apparent limitations for the authority of the Chief Minister in respect of the other Ministers and obviously there is a certain amount of work going on with P.P.C. (Privileges and Procedures Committee) but what work are you undertaking to address these challenges inherent in the Chief Minister's role?

Chief Minister:

That is a good question and that is one I was asked about yesterday. What am I doing about it? It is nice to believe that everything is my responsibility.

Senator S.C. Ferguson:

The buck stops here.

Chief Minister:

Quite, but that is not quite the way with the ... it is quite clear that the machinery of government and governmental machinery falls and sits with P.P.C. and the Assembly, but I will be taking very careful note of what they are proposing because there are some particular reforms that I think would be necessary. I obviously was interviewed by them when they were doing their rounds. I am not certain how much they have taken on what I have said, because I have not seen what their report is going to say, but I think this whole idea of who chooses Ministers and who dismisses them is one that needs to change and I think I am of the view that I am not sure that the Troy Rule is fit for purpose anymore, but I understand that that is something that the sub-committee has kicked around in their minds and thought: "Yes, no" and perhaps they are coming out with a solution to that anyway, so I would have to see what their solution is to that.

The Connétable of Grouville:

Can I just come in here and say that surely if you are going to do away with that, you would have to involve more States Members in the decision-making process?

Chief Minister:

Absolutely, and that is why it appeared to me earlier this year that that potentially could be a very simple way of getting more inclusion.

The Connétable of Grouville:

So more committees?

Chief Minister:

You could appoint any number in effect of Assistant Ministers with responsibility for particular areas, but I think they are looking at that problem of inclusion and how Scrutiny and the Executive works and they might have come up with a different solution but ...

Senator S.C. Ferguson:

So it would change it back from a legislature to an Executive, sort of all-inclusive Executive, as it was under the committee system?

Chief Minister:

If you look at the Isle of Man, that is what they do, so they have got a much-reduced Assembly, but they try and pull virtually everybody into the Executive notwithstanding that they have a P.A.C. (Public Accounts Committee) which has to be independent of the Executive and that committee

holds to account on accounting issues. I think they also have a Standing Committee as well, but basically you have got the Executive and then you have got a P.A.C.

The Deputy of St. Ouen:

Does that mean to say that you do not support the Scrutiny role?

Chief Minister:

Absolutely not.

The Deputy of St. Ouen:

So how would you visualise it functioning in your preferred system?

Chief Minister:

Again, you are asking me ... we do not even know what the ministerial sub-group is going to propose. I am not sure that there are any Members on it, no. So we need to wait and see what they are going to propose, but a system like the Isle of Man system could quite easily work with more people on the Executive. You have your standalone P.A.C. and then you almost have a standing Scrutiny function that Assistant Ministers who are not involved in the decisions can sit on Scrutiny Panels. So you can make both work.

The Connétable of Grouville:

You would not really have Scrutiny Panels, would you; you would have the States doing it?

Chief Minister:

But you could still have Scrutiny Panels that look at specific issues.

The Connétable of Grouville:

I am not disagreeing with you.

Chief Minister:

Yes, so the Scrutiny function is very important.

Senator S.C. Ferguson:

All right. At the moment you are not going to make any changes to the structure of the Council of Ministers and the make-up of Executive departments until the reports are in then?

Chief Minister:

As you well know, that is a slightly different issue, as we have discussed before, because I am on record as saying I would like to see a Minister for External Relations. I know we are about to publish a ... I will not use the word "new", but a foreign policy which really brings together what we have been doing with T.I.E.A.s (Tax Information Exchange Agreements) or what we have been doing with ambassadorial visits, what we have been doing with Brussels, what the Overseas Aid Commission is doing, what the letters of entrustment have allowed us to do, the document that Senator Walker signed with the U.K. (United Kingdom), the framework document, bringing all those together into one foreign, in effect, policy document so that Members can be absolutely clear, so that you as a committee will be able to scrutinise the work of the external relations function and it would be helpful in scrutinising me as well in that particular function, so that is what we are doing later this week. I still want to come forward with a Minister for Foreign Affairs, but we just have to work out how that would work and I do know that other people would like to see somebody of a ministerial level, even if it is not somebody sitting at the Council of Ministers, looking after children's issues. We have just seen Senator Farnham lodge a proposal to look at how we are going to deal with justice and where the correct political oversight of the court sits and whether that needs a Minister or it just needs an Assistant Minister with responsibility. We are going to have to look at that as well because I think that is needed and I am supportive of that proposition.

The Deputy of St. Ouen:

So you are not planning to wait until the Privileges and Procedures Committee bring forward their recommendations or views about how ministerial government may change?

Chief Minister:

The reality is that there is probably going to be a colliding of timescales, because I think the ministerial government sub-committee is due to lodge its findings or report on its findings shortly. I am not going to be in a position to come forward with any changes probably until next year anyway. I think they are 2 slightly different things.

The Deputy of St. Ouen:

One could argue, though, that it is your reliance currently on the status quo being maintained in your proposal.

Chief Minister:

That is right.

The Deputy of St. Ouen:

There is a suggestion being made by your Assistant Chief Minister to reduce the number to 42, which would not necessarily ...

Chief Minister:

But that is another area again, is it not?

The Deputy of St. Ouen:

Yes, but, Chief Minister, it would not necessarily fit with creating additional Ministers.

Senator S.C. Ferguson:

They are not getting rid of some of the Assistant Ministers because the Assembly has to vote on the Troy Rule.

The Connétable of Grouville:

If you abolish the Troy Rule, then ...

Senator S.C. Ferguson:

Yes, but if the Assembly hangs on to the Troy Rule, which I would think ... right, so ...

Chief Minister:

But I think we have got to be careful that they are ... Deputy Reed is correct: the changes that I have been thinking about are based on the existing system, so an Assistant Minister would become Minister, so that would not deal with ... you would not have a problem with the Troy Rule, but having said that, looking at Senator Farnham's proposal, that potentially would need to look at ... would not be able to happen quite so easily unless we simply said an Assistant Minister was going to be responsible for justice, but yes, they have not taken into account the changes that we might now come forward so we might ...

The Deputy of St. Ouen:

The timing is going to be critical?

Chief Minister:

As I say, I think they are going to be bringing forward their findings and I am not going to be in a position realistically to do anything until the New Year, so that is probably going to be a good alignment of time.

The Deputy of St. Ouen:

Thank you.

Deputy R.J. Rondel:

Thank you. Chief Minister, would you please be able to provide us with an update on the work that has been done and is currently being done to improve the delivery of the information services within the public sector?

Chief Minister:

I will pass this to the Chief Executive if that is okay.

Chief Executive:

Yes, a number of areas, both large and small, are underway simultaneously. Large areas were sort of ... already some of them completed, but some are still ongoing, particularly migrating all the data centres that we have got around the States on to 2 large ones. We have also had one very big one at Cyril Le Marquand House. We had an old one over at the hospital which acted as our back-up. It was at the end of its economic and useful life so we have now entered into a contract with a third party provider to provide that data centre offsite and that is just at the moment being ... well, it is built, but it is just a case of migrating all the data across to it. So effectively the States will have 2 main data centres, one at Cyril and one on an off ... a third party provider.

Senator S.C. Ferguson:

The one offsite is going to be in Jersey?

Chief Executive:

Yes, absolutely.

The Connétable of Grouville:

Is that like a disaster recovery area or ...?

Chief Executive:

It is first and second line back-up so immediately they are seen as transfer of data that is held on 2 sources.

Deputy R.J. Rondel:

That has been sub-contracted, yes?

Chief Executive:

It has been out for tender, it is tendered and it is part of a contract we have with Jersey Telecoms, who provide it from their data centre network. So that is one piece of work which is now virtually complete, but of course the next piece of work is that we have to migrate all the data that is held on about 20 different servers around the States. So these servers are individual networks on their own on to these 2, so effectively by the end of 2013, the aim is that we will have closed down not all but most of the data centres and they will just be stored on 2 main centres. So that is a very big piece of work which is nearing completion. There is a lot more to do to finalise it.

Deputy R.J. Rondel:

Which ones do you think will be left out of that by the end of the year?

Chief Executive:

I think by the end of the year probably the 2 which will be left will be ...

Deputy R.J. Rondel:

Health?

Chief Executive:

No, health is already part of this first round.

Deputy R.J. Rondel:

Right, okay.

Chief Executive:

Social Security, because they run their own system, is one we need to look at carefully and tax is the second one we will need to look at. Again, for security reasons, we have just got to make sure, but long term there is no reason why they cannot all be part of the main 2 clusters. So that is one piece of work, and then the second area which is now up and running, which I think I explained at the Public Accounts Committee a couple of weeks ago, is that we now have what is called a wide area network, which again was looked at from providing a far more efficient use of communications around the States. The simplest way of describing it is in the past we used to pay for every piece of cable that connected every States building, which was not a very efficient way of doing it. We now have a contract which effectively provides an umbrella that says anything in Jersey is connected, so it is just a far more efficient way of running the system and that would in time lead to more opportunity for Wi-Fi connections and opportunities, so that piece of work is already complete and we are moving on to the next stage. Then another large area of work is updating the basic

platform that you all operate on, the States Members or we operate on, which is the Microsoft system. We all run on a fairly old version in the States and there have been a few questions asked recently about migrating and moving to the current version, which sounds very simple, and in theory it is simple, but the reason it is complex for us is that a lot of the applications - and I do not want to get too technical - that we operate are all built on the old 2003 or XP version and they do not easily migrate on to the new one. So before you can migrate everyone across, you have to check every application and make sure it can be changed and updated so it is not just using ... I can just see Senator Ferguson has got a laptop under the ... so if you just use your normal Word and Excel, which are the simple bits, that is easy to migrate across, but every other operating system we have got in the States was built around the old platform so you have to make sure that when you move it across to the new one, it can migrate across all its data, which is a ...

[17:00]

Senator S.C. Ferguson:

So which particular ones are causing problems?

Chief Executive:

Whenever you buy a third party application, so just as an example, if we use an AutoCAD system which is provided by an AutoCAD supplier, it was provided on the old platform, so we have to make sure it can migrate across to the new one.

Senator S.C. Ferguson:

You are not upgrading them?

Chief Executive:

No, we have just got to make sure that they are ...

Senator S.C. Ferguson:

You are not upgrading them then?

Chief Executive:

If we have to, we will, but we have got to make sure that the data that is held on the operating system on the old can move on to the new. If we have a car parking system, for example, managing fines, that was built around the old system, we have to make sure that it can migrate across to the new one. So every application that the States operate that was built on the old

Microsoft platform, we have to test it to make sure it will migrate across to the new one without any problems because we have not kept pace with all of the automatic upgrades that go on in industry.

Senator S.C. Ferguson:

The only custom ones we have got are tax and ...

Chief Executive:

No, I have not got the numbers here, but we have many, many applications that have to be tested. I can give you a list if you like, but it is not simply ...

Senator S.C. Ferguson:

That would be interesting, because we shall be looking at I.T. (Information Technology) in due course.

The Deputy of St. Ouen:

I suppose the question is though why have we not kept up with the updates?

Chief Executive:

Simply not sufficient investment in the past. We need to make sure that there is adequate investment in maintaining our I.T. infrastructure and platforms that keep us moving all the time.

The Deputy of St. Ouen:

Are you confident that there is and will be sufficient investment over the next 3 years to provide that robust data and monitoring that we should be expecting to be delivered currently?

Chief Executive:

With the work I have just highlighted to you, the savings that we make from some of the data centre migration and this wide area network, they have made savings, so we can use some of those savings to invest in some of the upgrades that we are looking at and use the capital programme that we have got available for making sure that we can deliver all the programmes that we have.

The Deputy of St. Ouen:

Sorry, one last question on this particular subject. Correct me if I am wrong, but I understood that one of the key issues was not the platforms but the fact that we still have a sort of a silo culture where information is not able to be shared from one department to another. One particular example is the Health Department, that their information is not able to be shared because of the

software or whatever, I do not know what it is, but the I.T. system that is in place. That has been known about for some time and yet we still have a problem. So can you just tell me why are you focusing on sort of the data centre management and not on making sure that we have systems that can talk to one another?

Chief Executive:

You have to start somewhere and the right place to start is to get the foundations right. If you do not get the foundations right, then everything else will crumble. So this is about making sure that the infrastructure, which is the really big infrastructure like the data centres, is correct. It needed replacing anyway, the hospital one had to be replaced, and make sure it is managed in a way where you have got good back-up between the 2 and then build on from that. The migration from the old, I am not sure, I think it is XP or 2003 system on to the new one, is one we have to do because the timing of the licences is such that the old ones will not be supported after 2014, I think. So there are some things we have to do to get the foundations right and there are some things we have to do because the licences will not be supported after a certain time. In terms of the specific areas that you have mentioned, some of the health work, then that is a piece of work that has got to be looked at and is being looked at at the moment as part of the infomatic stream that health are looking at as part of their transformation programme. So all those applications, all the health I.T. and infrastructure and the communications with other departments, the Social Security, the G.P. (General Practitioner) Service and practices, that will come as part of the health delivery of their Health Reform Programme.

Senator S.C. Ferguson:

How about the data security, because I think you were hiring somebody to look at data security and so forth.

Chief Executive:

Data security is forming one of the pillars of our data information management along with the F.O.I. (Freedom of Information) law coming in in time. We have to make sure that all those are brought together and that is a piece of work that is currently ongoing.

Chief Minister:

I think you are right. I think it was in the M.T.F.P.

Chief Executive:

It was in the M.T.F.P.

Chief Minister:

There was a bid in for data security arising from the Comptroller and Auditor General's report in to the issue, so we can add that funding will now, as of 2013, be in place.

The Deputy of St. Ouen:

Be in place, yes.

Senator S.C. Ferguson:

They are going to do the sorting out the filing so that you can access things easily for freedom of information?

Chief Executive:

The term: "records management" is one that will cause a lot of work to be required, both organisational and individually, to make sure that we all store and manage our data so that it is readily accessible, or readily available in the future.

Senator S.C. Ferguson:

It is not at the moment, I take it?

Deputy R.J. Rondel:

The I.S. (Information Services) strategy ...

Chief Executive:

It is piecemeal at the moment.

Deputy R.J. Rondel:

... does say, and you mentioned on savings, that it would create an opportunity to have savings. Are you able to advise us what savings you have made to things or would be before the end of the year and ...

Chief Executive:

The network arrangement saved £100,000 a year. I think the data centres, I do not think I have the figure for the data centres. I can certainly get you the figure. The data centre makes savings as well.

The Deputy of St. Ouen:

I think the suggested total savings which is the delivery of Telecoms' consolidation of existing data centres plus central licence management total £392,000.

Chief Executive:

Yes, all of the same ...

The Deputy of St. Ouen:

The streamlining support for corporate system and services, a further £278,000.

Chief Executive:

If those are the savings you have got from the Comprehensive Spending Review, all those are being made and certainly the I.S. section has achieved all its savings.

The Deputy of St. Ouen:

Although in your ... I presume it is one of your papers. In fact, it was an actual response to our general question, should I say.

Chief Minister:

I think your question is about the M.T.F.P., was it not?

The Deputy of St. Ouen:

Thank you. It highlighted the fact that these savings could be difficult to deliver in full by 2013. I suppose following on my colleague's question, there seems to be a great deal of confidence being shown at the moment by the Minister for Treasury and Resources in particular that indeed £56 million worth of savings, which is the latest official figure, will - I hasten to add and underline - be delivered by 2013. The question we pose to you is first of all the savings that you and the Chief Minister are responsible for, are you confident that all of the savings that are targeted to be delivered by your department will be by the end of 2013?

Chief Minister:

I am confident, but you have got the accounting officer that is going to deliver them in front of you so you can ask him directly.

Chief Executive:

All the savings that the Chief Minister's department are required to make which is in Chief Minister's section, I.S., H.R. (Human Resources), they are all on target to be made, so I have no problems with any of the savings that we plan to make.

Deputy R.J. Rondel:

You are able to provide us with an update on savings so far?

Chief Executive:

I can give you the C.S.R. savings for ...

Deputy R.J. Rondel:

To date. That would be very useful, thank you. One other thing, you mentioned improved Wi-Fi on services and that. Could you elaborate on that a little bit?

Chief Executive:

Yes, a number of departments are already connected, a number of buildings. In fact, there is probably one in here. There is not? So some are, some are not. Well, obviously the ...

Senator S.C. Ferguson:

The States Assembly is, but I ...

Chief Executive:

That is exactly the point. We need to get to the point where as many States buildings are connected as possible, but we have also got to start thinking now about iPad technology, that if we are going to move forward with iPad or tablet technology - and I think it is inevitable that we are going to in the next few years - then we need to make sure, as I said before, this network system is built in a way where Members or ourselves who are going to use this type of technology can have ready access to it.

Senator S.C. Ferguson:

Do you not need to take one step back, and presumably as part of the reforming of the States, look at the jobs that are done in the States and assess the computer requirements for each of those jobs?

Chief Minister:

Do not get him started, because we have only got until [Laughter] ... but you are absolutely and completely right and no doubt we will come on to it, that the mapping of the services that we are providing and the interaction that we are having with the customers is the first leg of the work that the Atos mapping has been doing. You will not be surprised that that is saying if there are a lot of interactions that are taking place this way, this way, this way and this way, that there is quite a few of those - and we will not go into detail in a public session - that you are quite right, could be done in a technology-enabled way. So that work will move forward and no doubt we will come on to timescales of that. But there is no doubt that we will all - and importantly, in a shorter time than we think - be using those things and not anything else and therefore we need to think about making sure we have got the appropriate infrastructure for the use of those.

Senator S.C. Ferguson:

Yes, but also surely you need to look at how many people need a desk for 100 per cent of the time, 50 per cent or not at all.

Chief Minister:

That is tied in very much into that, because we will not be at static workstations with a desktop. The Connétable is looking over his glasses, [Laughter] and it sounds a long way off ...

Senator S.C. Ferguson:

It will not happen in Grouville.

The Connétable of Grouville:

I am never tied to anything, believe you me.

Chief Minister:

It sounds a long way off, but it is not very far off at all, so we will not have big PCs that we know of. We will have that, we will have these great big data centres.

Senator S.C. Ferguson:

You will probably have them fitted in your glasses.

Chief Minister:

We might do, or clouds or whatever they are these days, and then we will all have those things.

Senator S.C. Ferguson:

Right, so that is one area of modernisation. How are the terms and conditions review modernisation going?

Chief Executive:

Terms and conditions are...we are looking at 3 strands in the workforce in the overall reform. One is the service area, which I think we have probably talked a bit about already. The other is the culture of the organisation to make sure that that is well embedded, that we have an organisation that is flexible and can move and adjust to some of the changes I see ahead of us, and the third is the individual workforce side of it. Now, within that, there are certain strands which will include terms and conditions. The terms and conditions are currently being effectively negotiated with some of the unions in terms of identifying which ones are probably a little bit old and need updating, some of the policies we have got, and then how do we look at those across the organisation. So you might have one that fits one group of staff and one that fits another group and they are slightly different and how do we then align them. So that is a piece of work that has started and we have just got 4 of the main unions to work with H.R. and management to identify which policies and which working arrangements are slightly out of kilter with one another and then start looking to see how we can come up with a common arrangement.

Senator S.C. Ferguson:

How are you dealing with the restrictive practices?

Chief Executive:

Those come out as part of it, so there might be one in one area which is ... some of them are a little bit old and long in the tooth. They need to be looked at and they have got to be worked through.

Senator S.C. Ferguson:

Okay, we have been promised this for a few years now. Where are we getting to with it?

Chief Minister:

Yes, the difficulty is that you are absolutely right. It has been promised and we ... I am not really sure that ... all the Chief Executive and I can say to you is that we are now ... it takes time, but we have started and we are making progress.

[17:15]

One of the biggest steps that we have made, I think, is that the way that the Chief Executive and H.R. have managed to engage the unions and having this, I cannot think what the official term is, but this ... it is not negotiation, but it is basically sitting down together and going through them and saying: "That one is not fit. We accept that one has got to go. We accept that we have got to come on a modernisation with you and got to come on a single pay spine albeit with different levels." We acknowledge that that has not happened in the past, but we are absolutely committed to it and we are making more progress than has ever been made before, but do not be in ... I am still not in any doubt and I am not complacent. It is a difficult road to travel. It is that engaging and that collaborative working with union representatives, as has happened with some unions in the U.K., is a big step forward.

The Deputy of St. Ouen:

According to our adviser who helped us with the review of the Medium Term Financial Plan, he also recognised the modernisation programme represented a significant challenge to the States of Jersey and that perhaps is the largest challenge that you as the Chief Minister and your Council of Ministers will face over the next few years. However, with that view in mind, he did advocate some caution over the applications arising from the modernisation programme and I think in particular he underlined that he could not find any workforce planning that had the degree of necessary precision envisaged to deliver the efficiencies that you continue to talk about. I suppose my question to you is, Chief Minister, are you confident that there is a strong and robust workforce planning process or system in place that allows you to deliver the modernisation programme?

Chief Minister:

We have to be honest with you and say currently I do not think there is. This is part of what is required and you will have seen and no doubt we will be getting criticised for some other agreement that we are starting to put in place to deliver some of this. We need that support. Your expert is absolutely right. There needs to be a proper modern workforce running and that is about succession planning and retraining and all the other things that we have not been doing very well, if at all.

The Deputy of St. Ouen:

I suppose the follow-up question is that bearing all of that in mind, why has the work still to be undertaken when the level of saving was aimed to be delivered between 2011 - which is nearly 2 years ago now - and 2013, which is only 1 year away?

Chief Executive:

First and foremost, the level of savings that have been identified as part of the terms and conditions are currently part-way through being met through the pay award structure. One of the reasons why we probably have not made as much progress as we wanted to is what I think has been said on a number of occasions. I have certainly said it at the Public Accounts Committee and I know it has been said in the States Chamber a few times that the H.R. function needed strengthening in order to make sure it had the right staff, or sufficient staff in it to help deliver that. That is now in play. There was additional funding as part of the Medium Term Financial Plan to put that in and a list of appointments has just been made. That will strengthen the H.R. function to be able to help us with that workforce plan and workforce modernisation, all of the elements that are required. It is now a case of getting on and delivering it rather than the planning. We have done a lot of work in terms of planning it and designing the structure. We now have to proceed with delivering it.

Chief Minister:

The expert is right. We need to plan the workforce. It comes back to Senator Ferguson's point about modernisation and computers. That then leads on to the space that you need.

The Deputy of St. Ouen:

I am not an accountant...

Chief Minister:

That is why it is difficult, because once you start it touches lots of things.

The Deputy of St. Ouen:

I am not a qualified accountant like yourself, Chief Minister, but I am struggling to reconcile the information that has been provided by the Council of Ministers and the Minister for Treasury and Resources regarding the "savings" that are to be delivered within the period 2011 to 2013 in particular. We have moved from no pay increase for a period of 2 years to one where we are providing money, albeit that it is called unconsolidated. By the way, that does not necessarily count or is considered to be a saving, although there is a cost. Could you just explain how you, as the accountant, can justify the claims over the saving when in reality there is an additional cost faced by the Government of the States in 2011, 2012 and 2013?

Chief Minister:

Quite easily. I think we have had this conversation before across this table and I want to be clear. We have been absolutely clear about what is being proposed, so the target or the mandate that we

have set was to save £14 million ongoing off the bottom line of budgets. That would have meant in effect no pay increase across the board for 2 years, and as you well know, that was our opening position with union representatives. Trying to stick to that mandate as much as possible after protracted negotiations - and as you know, it has not yet been agreed by all parties - we discussed with Treasury whether there was money available to give or to provide as one amount which is non-consolidated. Therefore, you are not increasing your annual budget going forward year on year, but you are making a payment in year. You are still making your bottom line savings, even though you are handing over money. I know Deputy Reed is trying to make a point, and he makes a fair point, but we have been very clear that is what we are doing. We are giving money in a given year with a non-consolidated amount, but the bottom line saving is being protected. We have not managed ... when I hope we do agree this pay deal, even then we will not have managed to make the full £14 million saving. I think it is something like £10.6 million or £10.8 million that we will have saved. We have not made the full saving, but we have given ...

The Deputy of St. Ouen:

I could argue that if you look just outside that period and let us move to 2014, I believe that the pay offer as it currently stands is 4 per cent. That is a £12 million extra cost when initially it was envisaged that the main bill would increase by about 2.5 per cent. Sorry, increases within would be forecast to be around about 2.5 per cent per annum.

Chief Minister:

You are right, but the mandate that we were working to was within that particular time period and that is what we have done and then you renegotiate. What we have tried to do is bring together a 3-year deal; I hope that we are able to deliver that and I believe that if we can, that will mean we will not need to enter into an annual round of negotiations with unions and we will have more time to get on with this reforming the union representatives and staff as well.

Deputy R.J. Rondel:

When are you hopeful that an agreement may be made?

Chief Minister:

That we do not know. We expect that some representative groups were waiting for the outcome of the Medium Term Financial Plan to see if that gave any flexibility for a revised offer. It did not, and therefore I expect that those unions that have not yet signed might and I hope will go to a ballot.

The Deputy of St. Ouen:

Moving on and looking at policy, which ultimately you had promised to co-ordinate and develop and promote a joined-up approach, please explain the role you and your department play in the development of the housing strategy.

Chief Minister:

That is a good question. You are on the Housing Sub-Panel, I think. **[Laughter]**

Senator S.C. Ferguson:

It is what you would call not living in the silo. **[Laughter]**

Chief Minister:

As you know, housing are coming forward with a Housing Transformation Programme and one of the parts of that proposal is that strategy will move to the Chief Minister's Department and the policy unit will obviously then lead on that. That will need to cover regulation policies around social, rented and 10-year. Ultimately, although there is some debate on that about affordable housing as well, where will that sit delivering those policies? Does it fit at Environment or will it fit in the Central Policy Unit? I have an opinion on that and I think that is that we will need to work together with Environment because of the Island Plan issues, but also the protection of social issues. Therefore, it is very much at that point the States will need to agree that is what should happen.

The Deputy of St. Ouen:

The question was, Chief Minister, what part does you or your department play in the development of the ...

Chief Minister:

The actual housing transformation, sorry, and we are talking about housing.

The Deputy of St. Ouen:

Also our strategy, because if you speak to the Minister for Housing, he would suggest they are very much intertwined and interlinked.

Chief Minister:

Yes, and I think that is right. I do not personally attend the Housing Transformation Programme ministerial group, although I have on occasion. My Assistant Minister does that and I attended it as Minister for Social Security before that. Therefore, I was well aware of some of the early

development principles. Yes, from that extent the department is represented and has been involved.

The Deputy of St. Ouen:

To a limited extent?

Chief Minister:

Not to a limited extent, because my Assistant Minister attends those meetings and is involved in that policy development process, as are Social Security and Treasury.

The Deputy of St. Ouen:

In the same way as the Population Office is equally being robustly managed and controlled by the department.

Chief Minister:

That is a slightly different thing, because it is at a different stage, is it not? The Population Office has been sitting with the Chief Minister's office for a number of years now, whereas the Housing Transformation Programme is very much developing the policy and it must obtain States approval for it before we would have the Strategy Unit up and running and working in the way the Population Office is. They are at different stages of delivery.

Deputy S. Power:

Everyone seems to be looking at me. **[Laughter]** It is probably inappropriate to go into any great detail here today, but I have a question for you, Chief Minister. In terms of the structure, the difference, how you can explain to me why there would be a Strategic Housing Unit at the Chief Minister's office and why in the Housing Transformation Programme the privatisation of a transformation of the Housing Department cannot be involved in a Strategic Housing Unit per se? It seems to me that the work that has been done on moving the Housing Department into its own body, there would be scope within that team to do strategic housing planning.

[17:30]

Chief Minister:

As the ex-Minister for Housing knows, some of the people that are involved in strategy, albeit to a much lesser extent now, in the Housing Department it is proposed that those individuals will move to the Strategic Housing Unit in the Chief Minister's office. I think we are talking about 2 or 3. In effect, that expertise will go to the Chief Minister's department to deliver that strategic unit. I think

that is right because the housing stock will be a wholly-owned association and it will be a provider, like all the other associations are providing. While they are consultees and need to be part of the stakeholder group delivering the housing policy, it is not right that they should be dictating it.

Deputy S. Power:

What would be the difference between the new Housing Association and the existing Housing Department if you do not give them a Strategic Housing Unit and if they continue to pay £24.5 million a year to Treasury? I do not see much of a difference. Explain to me the independence that will be created or generated by housing stock, 4,600 owned of them by the public in a new vehicle when it is still not a strategic or a development wing and would still have to pay £24 million a year to Treasury at current prices.

Chief Minister:

I am not sure that the money it pays to Treasury is connected with the Strategic Housing Unit at all. It will of course be, as with all other associations, if the Strategic Unit and the States decided that we need 1,000 more social homes being built, then the new Housing Association might provide all of them. Alternatively, it might just be part of the provision, because we know that other housing associations have assets which are also expected to be used for the delivery of social homes. Therefore, it will be one of those providers and I am not sure why you are making the link with the money that is going back to Treasury. What you are trying to say is it is not independent because it is paying money back.

Deputy S. Power:

The link is this, that if the Chief Minister of the Strategic Housing Unit says that we need another 800 units of social housing for whatever reason, I am not sure how the new Housing Association can rise to the challenge if it still has this umbilical cord to Treasury.

Chief Minister:

I do not think it is connected. I think what you are suggesting is that they might not then have the cashflow to deliver the building because they are paying money to Treasury. I am not sure that is the case because I think they would be able to raise monies in the market to provide those buildings, as would any other association.

Deputy S. Power:

I think we are not going to get to the bottom of it today. I am going to agree to disagree. My other question was if Strategic Housing is such an important unit, and as we have recently had confirmation from the Privy Council that the *Control of Housing and Work (Jersey) Law* is likely to

be enacted at some agreed time in the New Year, you have referred to changes in your wish for the Council of Ministers' structure being changed. Do you think it is advisable that in both your references to an External Relations Minister or a Justice Minister that we then extinguish the role of Minister for Housing, given the demands that are going to be on that role for the foreseeable future, particularly as we are now about to put into place the *Control of Housing and Work (Jersey) Law*?

Chief Minister:

You raise a very good point there and it is just the next step back down to the machinery as Government review. What are we going to do with regard to political oversight and political responsibility? Are we going to be more like other jurisdictions who have the Minister of State for a particular issue rather than the Secretary of State? You could say that the Assistant Minister's function is a little like that anyway, but I think that would be quite a good model so Assistant Ministers are not necessarily called Assistant Ministers. You would have a Minister of State sitting in the Chief Minister's Department who was responsible for housing. You would have a Minister for Housing; we do not need to have a separate department sitting underneath them. They would just have oversight of the Strategic Housing Unit and that to me would be a good model and is another reason why perhaps we need to consider whether the Troy Rule is fit for purpose any more.

Deputy S. Power:

I would agree with some of that, Chief Minister, but would it not be worthwhile to consider that the Strategic Housing Unit, the political responsibility for housing, perhaps would be a more appropriate department, that is not a department directly involved in driving the economic success of the Island? For example, perhaps merging the planning population and housing or planning and housing with strategic housing into one unit.

The Connétable of Grouville:

A new Environment.

Chief Minister:

The problem with that is - and I have to be careful what I say because I seem to recall a certain proposition - the problem in my view with that is that planning have other statutory functions that makes it difficult for them to separate out the statutory functions from policy development. I think that is always going to be a problem for them. They try and suggest that is not such a problem, but I think it is and that is why it would be, in my view, a difficulty.

The Deputy of St. Ouen:

Moving on, can I ask when do you propose to bring a revised population policy to the States to be debated or even consulted on?

Chief Minister:

We have said that we would like to have done it by the summer of next year, by July of next year. We had some initial discussions the week before last thinking about what would that consultation look like, what we would be consulting on, what further information will we need to provide to the public. We did not make any decisions at that meeting, but one thing we did say was - and I am not sure how this will fit now with your Sub-Panel doing its review - that we would like to involve you as a Scrutiny Panel in helping us with that.

Deputy S. Power:

We would be delighted. [Laughter]

Chief Minister:

Yes, quite, because it is going to be important that we get it right if we think about some of the problems that have been in the past consulting on such an emotive issue.

Deputy S. Power:

To clarify the issue, Chief Minister, would you not agree that the population policy has to a large extent in the last 4 or 5 years failed because it had not been able to control that inward migration? The population spike between 2007 and 2011 was probably entirely predictable. Therefore, political responsibility for the population would probably need to be re-examined. Would you not agree?

Chief Minister:

I do not think the 2 correlate in any way, shape or form.

Deputy S. Power:

We are still very happy to help you, Chief Minister.

Chief Minister:

Thank you. That is very kind of you.

The Connétable of Grouville:

I refer to foreign affairs, relations, external. What is the kind of status of the Council's policy regarding external relations? We have brought in loads of T.I.E.A.s (Tax Information Exchange Agreements), which I know probably are Treasury, but at the same time do reflect on our status in the world, and you have been going off to various meetings with the various parties in the U.K. Can you tell me what the results have been of your travels so far? Have we had any feedback? Are we getting any further input from the other side as to what they think we are doing and what we are doing right or wrong? In other words, what are the results of what we are spending?

Chief Minister:

It depends what you mean by results. It is notoriously difficult and I am not sure there is anywhere in the world that can quantify the financial benefits of their foreign offices, but you can be absolutely certain that if they were not in place, then things would not be the way they were. The value that you get out of building relationships and getting in front of people face-to-face, in my view, far outweighs the cost. If you look at the value we get out of the Channel Islands Brussels Office, we know what is happening in particular areas. We are able to make submissions; we have individuals there who are fighting our corner, asking people to think about the effects of their decisions upon Jersey. That is why we believe that a London office is imperative because it can do the same things and more that the Brussels Office is doing for us. Certainly, we do get feedback from our Distinguished Visitor Programme and I have to say I think that is very positive feedback. Senator Bailhache will say that in some of the visits he makes to various countries, and ambassadors in London perhaps after a visit of other countrymen to Jersey have received full reports, and generally I think they are positive. Therefore, we might not always seem to see it, but we can rest assured that information flow is happening in getting back either to their capital cities or back to their ambassadors in London or both. It is absolutely working.

The Connétable of Grouville:

I do understand there is a lot of good work going on there, but then we get a bombshell that hits us, just like the HSBC, coming over here and that just blows everything out of the water with sudden pages full of tax havens again and this nonsense. I know it is not your fault this happens. Is there a problem getting ...

Chief Minister:

Can we control the U.K. media? We absolutely cannot.

The Connétable of Grouville:

I know you cannot do that, but it is obviously a question of control over Jersey banks because if they are doing silly things which they have been caught for, then I quite understand. There are probably 4,600 accounts at HSBC and 95 per cent of those are probably fine. They are probably opened there. It is not against the law to have an offshore account but there are obviously some people in there that ...

Chief Minister:

We must remember that in Jersey we have some of the strongest anti-money laundering legislation, so much so that it is a criminal offence, which is not the same necessarily elsewhere across the world. We have a strong financial services regulator, which I do not believe is afraid to act and you will have seen last week that they made an announcement that they are investigating. That is absolutely as it should be, but there is no jurisdiction around the world – we have the laws in place, we have the regulator in place – but no jurisdiction around the world can ensure that something like this never happens.

The Connétable of Grouville:

I quite understand that. I am thinking stable doors and horses. We have had the bad headlines. What have we done to try to redress that afterwards? We are not really redressing this and we are not preventing it and that is really what worries me intensely.

Chief Minister:

I do not think you can say that we are not preventing it, because as I have just said, we have some of the strongest laws of anywhere and we know that because that is what the I.M.F. (International Monetary Fund) and the O.E.C.D. (Organisation for Economic Co-operation and Development) have told us. We have a strong regulator. If we are honest, people often say to us: “Your regulator is perhaps too strong” so I think we can be assured about that. It is not a case of horses bolted. When it comes to the response that we make as a government to these bad headlines, it is often finely balanced. Do we now go and make a response and get another whole host of headlines when it is a headline and when you see the headline and you see the story you do not know the facts behind it anyway?

[17:45]

The Connétable of Grouville:

No, but the thing is why did we not get a balanced headline?

Chief Minister:

We have to remember and people often tell us: "You are a successful community. You cannot expect to be loved as well."

Deputy R.J. Rondel:

Will there be any criminal prosecutions due to this?

Chief Minister:

You would not expect me to answer that, would you, because it is the regulator that will investigate together, and if necessary passing it to the Financial Crimes Unit or the appropriate investigation.

The Connétable of Grouville:

Are we keeping up our programme to T.I.E.A.s?

Chief Minister:

Yes, we are. I do not quite know. Hopefully, the States are going to ratify the Austrian agreement tomorrow or the day after. I am not sure what the next one is.

Director of International Affairs:

As you know, the objective is to ensure that we have tax agreements with as many of the E.U. (European Union), O.E.C.D. and G20 member states as possible. In terms of G20, we are up to 17 of 19 member states, 20 is the European Union. In terms of the European Union, I think out of the 27 we have now either concluded or in negotiations with 23.

Chief Minister:

There are 25 now.

Director of International Affairs:

We are almost there, we just have a couple of E.U. member states to go. In terms of the O.E.C.D. ...

Senator S.C. Ferguson:

Presumably, we will get them finished just as the E.U. collapses. **[Laughter]**

Director of International Affairs:

Possibly, but luckily they are with member states, not with the E.U. as an institution.

The Connétable of Grouville:

Can I ask about Guernsey - which now comes under our external relations, I believe - how is our relationship going? Does that come under external relations? I think it does.

Chief Minister:

I think it does.

The Connétable of Grouville:

How is our relationship developing there? Are we getting more and more help and assistance and can I say friendship in our dealings?

Chief Minister:

Yes, I think we are. I do not know in the past, but we are working hard at those relationships, meeting up as often as we can, having informal conversations as well because a lot of it is just about keeping each other informed about what is going on and what policy directions are happening in each Island. It is the same with the Isle of Man, and the thing that strikes you is that we are facing exactly the same challenges and therefore the information sharing and the working together makes commonsense.

The Connétable of Grouville:

What about fishing?

Chief Minister:

We will always have areas where each Island thinks that its interests are best served by doing its own thing.

Deputy S. Power:

A very quick question on freedom of information, which will be easy for you to answer. When do you expect that the draft law may be enacted and do you have an answer as to the appropriate funding that might be allocated to it to allow for the successful information implementation of our long awaited freedom of information?

Chief Minister:

I think probably the Chief Executive will answer that. He appeared before the P.P.C. recently, or prior to the entry of the Act, to talk about where we were with freedom of information. As you know, I think we have said in the past that we are expecting it to be implemented by 2015 and we

have put money aside in the current M.T.F.P. for all the provisional work to be undertaken. I do not know if you want to go into detail on that.

Chief Executive:

No, I think we have covered quite a lot in terms of information management records. I did not bring it today, but we have a report which covers what we call the 5 pillars of managing information. F.O.I. is one of those and we need to make sure that we get all of them together. Records management is one; filing. The data security manager is another. There is a lot of work going on at the moment and the addition of posts which the Chief Minister alluded to will be very important to get that person in in order that we can pool all the strands together. Then we can work with all departments to make sure that wherever data is stored, be it electronic or hard copy, it is stored in a way in which it will be accessible in the future.

Deputy S. Power:

The funding arrangements for the freedom of information law would probably sit within the terms of this 3-year M.T.F.P. I cannot remember on my own recollection of what that said. Can you remind us or is there a provision for funding in the allocations of 2015?

Chief Minister:

Yes, there was provision for this. Provisional work is not the right word, but preliminary work. We committed to using in 2015, the Emerging Pressure and Contingency Fund. There was recognition that would have to provide funding for managing the F.O.I. implementation and records management we have just covered.

The Deputy of St. Ouen:

Are you satisfied that sufficient funding has been provided albeit there is going to be a delay in the implementation of the law?

Chief Minister:

Yes, I think that is ...

Chief Executive:

There is adequate funding available. We must make sure that we get - and I come back to - the foundations right and make sure that we can access the information as required. I am not sure, I thought 2015 was the date that had been originally set.

The Deputy of St. Ouen:

I think, Chief Minister, if you look back at the various records you will see that the implementation date has been delayed somewhat from the original plan and proposal. It would be useful, Chief Minister, if you could provide us with a clear funding plan because the only information we have at the moment suggests that £500,000 was allocated from central reserves in 2012 and that the Medium Term Financial Plan, as my colleague said, contains provision for the balance of expected cost. It would be much better if we could have a clear picture of what is being proposed along with the timetable so that there is no further slippage.

Chief Minister:

I will accept your recollection as prior to us being in office and being slippage. Chief Executive, it may be an idea if you provided the briefing notes we provided to P.P.C. You may find that helpful because it covers the workstream, costs, people et cetera.

Deputy S. Power:

Leaving freedom of information for the moment, I am going to move on quickly to the H.R. posts. The growth funding for those 2 additional H.R. posts have been allocated to your department. Are you able to confirm and tell us who will be the specialist H.R. director at the hospital and who will be the dedicated medical staffing manager? Will we see those as local appointments?

Chief Minister:

I would not have thought that we would be able to tell you who they are. I do not think it is appropriate to name names, but with the postholders it was essential that experienced people with health-related background in H.R., especially medical staffing, were brought in and those people are now in place.

Senator S.C. Ferguson:

Who do they report to?

Chief Executive:

The H.R Director. In the H.R. world, the H.R. managers or business partners, as we call them in the department, have 2 lines of reporting. One is to the Chief Officer to help them run the department, but in terms of H.R. policy and corporate issues to do with H.R. they report to the H.R. Director. They are formally employed by the Chief Minister's Department and the H.R. department but they are assigned to positions in departments.

Deputy S. Power:

Therefore, rather than going public with individual names on public officials, would it be possible to send a private note to one of the officers just confirming those appointments?

Chief Executive:

Yes, certainly.

The Deputy of St. Ouen:

Can you also confirm that these are new posts, or whether they are posts that have been transferred from the Health Department to yours?

Chief Executive:

All posts in the directory of H.R. in health is a Chief Minister's Department post, because we have always had a business partner in health since 2004 because when we moved all the H.R. functions together, the medical staffing manager's post is a new post, from recollection. I cannot recall whether that post came from a vacancy within the H.R. team or a vacancy from within health that was put into that function.

Senator S.C. Ferguson:

Yes, you have a professional link through to H.R. and the line management link to whoever is the Chief Officer.

Chief Executive:

To answer the question, in terms of where did the posts come from, the H.R. Director's post was definitely a Chief Minister's Department position which has been filled with the H.R. Director. I will need to check where the actual headcount post came from, whether it came from H.R. or H.S.S. (Health and Social Services Department).

Deputy S. Power:

That will be fine. If you could let us know by a separate note, we would appreciate that. My final question relating to Health and Social Services, are there any other Health and Social Services posts that may be transferred and that will be transferred to your department, Chief Minister?

Chief Minister:

That is very much an operational issue.

Chief Executive:

We can check the posts there are and there is always a little moving around of posts on its individual basis.

The Deputy of St. Ouen:

On the 16th November, your department, Chief Minister, issued a press release saying that: "A change leader was appointed." I would like to know whether this particular change leader will be equally involved in supporting public sector or reform within all departments or simply in some.

Chief Executive:

Firstly, definitely it is all departments. All departments are part of the overall States Reform Programme. At present, that is the presentation that you, as States Members, have had. That is across all departments.

The Deputy of St. Ouen:

Including health?

Chief Executive:

Absolutely. All departments are part of this and they all work with us all in slightly different ways because the reform must meet the nature of their business, but they are all very much part of it. Health in some ways is slightly ahead of us of public departments because they started work some time ago and they have some very interesting results coming out.

Senator S.C. Ferguson:

Is this the senior post?

Chief Executive:

Yes.

Senator S.C. Ferguson:

Did it go through the Appointments Commission?

Chief Executive:

Yes, it did.

Chief Minister:

I think you make a very good point. If reform is going to work, and I believe it is, it is not something to be done to the departments and even though we might have more resource centrally to enable it, that centrally enabling resource must flow through to the departments and be accessible to the departments. They must understand the departments' needs in order to deliver it. It cannot just sit centrally.

The Deputy of St. Ouen:

One would hope, Chief Minister, that lessons have been learned from the idea or the proposal that was implemented to centralise customer services to Cyril Le Marquand House, which has been an absolute failure, even in the Council of Ministers' and your eyes, and that is now being disbanded and returned to the departments from whence it came.

Chief Minister:

That is why we are being accused of it taking too long and all the other things. You make the correct point, that we must get it right. I know Senator Ferguson has spoken of it before. You must understand the services that we are providing, how it is being provided, where it is being provided, before we can even start to think about how we are going to change it.

Senator S.C. Ferguson:

You have to bring the frontline staff along with you.

Chief Minister:

You cannot just cannot take them from A to B and tell them: "Tomorrow you will be in with C, D and E even though we have not trained them all."

Senator S.C. Ferguson:

The mushroom principle does not work. Just one small, final question, Chief Minister. If the Chief Minister and the Deputy Chief Minister fall under a bus or have swine flu - not that I am wishing it on you - there was talk of appointing a sort of 'Deputy Deputy'.

[18:00]

Chief Minister:

Yes, have you seen that the law draftsman developed some changes to the law to make sure that eventuality was dealt with? I think it is more or less in the position to go to the Council of Ministers. I think that is exactly what it does. We talked about the order of command. There was some

discussion about whether when you ultimately start to get down to who is left, how do you choose between? There was some discussion about should it be length of service, but then is it length of service as a Minister or is it length of service as a Senator? Does it go through the States hierarchy? I think there were some issues there that just needed to be ironed out, but it is almost ready to go the Council of Ministers.

Senator S.C. Ferguson:

I trust that you and the Deputy Chief Minister do not travel on the same plane.

Chief Minister:

Neither of us have a plane. **[Laughter]**

Senator S.C. Ferguson:

Very good, but if you go on a flight anywhere.

Chief Minister:

I cannot think of an incidence in the last year where we have. Generally, you will not be surprised to know, I travel alone. Nobody wants to fly with me apart from the hired help.

Senator S.C. Ferguson

Thank you.

[18:01]